481. Also, petition of Henry Stoner, Avon Park, Fla., to initiate legislation naming the area near Valley Forge, "Valley Forge-Kennedy National Park"; to the Committee on Interior and Insular Affairs.

482. Also, petition of Henry Stoner, Avon Park, Fla., to ask the Chief Justice Warren investigators of President Kennedy's assassination to check upon anti-Catholicism, if any, of the President's assassin; to the Committee on the Judiciary.

483. Also, petition of Henry Stoner, Avon Park, Fla., that the Congressional Medal of Honor also be given to Mrs. John F. Kennedy as suggested in petition No. 475 calling for the award to the late President John F. Kennedy; to the Committee on the Judiciary.

484. Also, petition of Henry Stoner, Avon Park, Fla., to cause the deans of all the law schools in the United States to meet biennially in "Kennedy conclave" and make recommendations relating to omissions and defects in Federal laws; to the Committee on the Judiciary.

485. Also, petition of Henry Stoner, Avon Park, Fla., to ask certain questions of the investigation being conducted by Chief Justice Warren; to the Committee on the Judiciary.

486. Also, petition of Henry Stoner, Avon Park, Fla., relative to the drafting of legislation in the House of Representatives; to the Committee on Rules.

487. Also, petition of Henry Stoner, Avon Park, Fla., that the House Committee on Un-American Activities hold a full probe and investigation of the laxity of the Secret Service and the FBI in Dallas relating to the death of President John F. Kennedy; to the Committee on Rules.

SENATE

THURSDAY, DECEMBER 5, 1963

The Senate met at 12 o'clock meridian, and was called to order by the Honorable LEE METCALF, a Senator from the State of Montana.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, who dost overarch our fleeting years with Thine eternity, and dost undergird our weakness with Thy strength: In the midst of the pressures of another day, as Thy servants here face its vast concerns, we pause with bowed heads and hearts at this shrine of our spirits.

Without Thee, even our wistful hopes for humanity are like winter's withered leaves—once verdant and bright—now brown and crumpled ruins blown upon a bitter wind.

Above all else, we pray Thee to save us from succumbing to the terrible temptation to become cynical and to be men of a faith that has faded. Join us in kinship to those who in other times that tried men's souls went on believing in beauty and love and God, in the midst of ugliness, hatred, and horror.

In this faith, steel our hearts to march breast forward toward the clean world our hands can make as we labor together with Thee.

We ask it in the Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., December 5, 1963.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. LEE METCALF, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. METCALF thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, December 4, 1963, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT OF NATIONAL AERONAUTICS AND SPACE ADMINISTRATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 179)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Aeronautical and Space Sciences:

To the Congress of the United States:

Pursuant to the provisions of the National Aeronautics and Space Act of 1958, as amended, I transmit herewith a report of the projects and progress of the National Aeronautics and Space Administration for the period of July 1 through December 31, 1962.

This report reveals the significant accomplishments that are beginning to flow from our broadly based space effort. In cooperation with other agencies and through its own increasing competence, NASA is making a major contribution to a maturing national space program.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *December 5, 1963.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 8667) authorizing additional appropriations for the prosecution of comprehensive plans for certain river basins; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FALLON, Mr. DAVIS of Tennessee, Mr. JONES of Alabama, Mr. CRAMER, and Mr. BALDWIN were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 1243. An act to change the name of the Andrew Johnson National Monument, to add certain historic property thereto, and for other purposes;

S. 1703. An act to amend title V of the Agricultural Act of 1949, as amended, and for other purposes;

H.R. 134. An act to provide that seat belts sold or shipped in interstate commerce for use in motor vehicles shall meet certain safety standards;

H.R. 976. An act to authorize the Secretary of the Interior to acquire and add certain lands to the Salem Maritime National Historic Site in Massachusetts, and for other purposes;

H.R. 2467. An act to authorize the sale and exchange of isolated tracts of tribal land on the Rosebud Sioux Indian Reservation, S. Dak.;

H.R. 2905. An act to donate to the Devils Lake Sioux Tribe of the Fort Totten Indian Reservation, N. Dak., approximately 275.74 acres of federally owned land;

H.R. 2906. An act to amend part II of the Interstate Commerce Act in order to provide an exemption from the provisions of such part of the emergency transportation of any accidentally wrecked or disabled motor vehicle in interstate or foreign commerce by towing; and

H.R. 5949. An act to consent to the amendment by the States of Colorado and New Mexico of the Costilla Creek compact.

HOUSE BILL REFERRED

The bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. MANSFIELD, and by unanimous consent, it was ordered that statements during the morning hour be limited to 3 minutes.

ORDER FOR RECESS UNTIL NOON TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the session of the Senate today, it take a recess until 12 o'clock noon, tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. PASTORE, from the Joint Committee on Atomic Energy:

William Jack Howard, of California, to be Chairman of the Military Liaison Committee to the Atomic Energy Commission.

By Mr. INOUYE, from the Committee on Armed Services:

Maj. Gen. Alva Revista Fitch, U.S. Army, to be assigned to a position of importance and responsibility designated by the President, in the grade of lieutenant general;

Maj. Gen. Cecil M. Childre, Regular Air Force, and Maj. Gen. Benjamin J. Webster, Regular Air Force, to be assigned to positions of importance and responsibility designated by the President;

Gen. James Francis Collins, Army of the United States (major general, U.S. Army), to be placed on the retired list; and

Lt. Gen. Hugh Pate Harris, Army of the United States (major general, U.S. Army), to be assigned to a position of importance and responsibility designated by the President, in the grade of general.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

DEPARTMENT OF JUSTICE

The Chief Clerk proceeded to read sundry nominations in the Department of Justice.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc.

Mr. JAVITS. Mr. President, Charles H. Tenney is one of our most distinguished citizens, and I find great honor in the fact that his nomination to be U.S. district judge for the southern district of New York is about to be confirmed.

The ACTING PRESIDENT pro tempore. The question is, Will the Senate advise and consent to these nominations?

Without objection, the nominations are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

On motion of Mr. MANSFIELD, the Senate resumed the consideration of legislative business.

COMMUNICATIONS FROM FOREIGN GOVERNMENTS RELATING TO THE DEATH OF THE LATE PRESIDENT JOHN F. KENNEDY

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate certain communications from foreign governments concerning the death of the late President John F. Kennedy, which will be referred to the Committee on Foreign Relations.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON REAPPORTIONMENT OF AN APPROPRIATION

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation for the Department of the Interior for "Management of lands and resources," for fiscal year 1964 had been apportioned a basis indicating a need for a supplemental estimate of appropriation; to the Committee on Appropriations.

REPORT ON EXPORT CONTROL

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on Export Control, covering the third quarter of 1963 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON MUTUAL DEFENSE ASSISTANCE CONTROL

A letter from the Secretary of State, transmitting, pursuant to law, a report under the Mutual Defense Assistance Control Act of 1951 (Battle Act), for the year 1963 (with an accompanying report); to the Committee on Foreign Relations.

REPORT ON UNECONOMICAL PROCUREMENT OF ELECTRONIC EQUIPMENT UNDER CONTRACT WITH GRUMMAN AIRCRAFT ENGINEERING CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on uneconomical procurement of electronic equipment under contract AF 01(601)-31042 with Grumman Aircraft Engineering Corp., Bethpage, Long Island, N.Y, Department of the Air Force, dated November 1963 (with an accompanying report); to the Committee on Government Operations.

REPORT ON UNNECESSARY PROCUREMENT OF OFFICE FURNITURE FOR USE IN THE PENTAGON

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the unnecessary procurement of office furniture for use in the Pentagon, Department of the Air Force, dated November 1963 (with an accompanying report); to the Committee on Government Operations.

REPORT ON OVERPROCUREMENT OF SELECTED ACCESSORIES FOR JET AIRCRAFT ENGINES BY THE MILITARY SERVICES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the overprocurement of selected accessories for jet aircraft engines by the military services, Department of Defense, dated November 1963 (with an accompanying report); to the Committee on Government Operations.

REPORT ON PROPOSED MOVE OF VETERANS' ADMINISTRATION REGIONAL OFFICE FROM DALLAS TO WACO, TEX.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the proposed move of the Veterans' Administration regional office from Dallas to Waco, Tex., dated November 1963 (with an accompanying report); to the Committee on Government Operations.

AMENDMENT OF CHAPTER 153, TITLE 28, UNITED STATES CODE, RELATING TO APPLICATIONS FOR WRITS OF HABEAS CORPUS BY CERTAIN PERSONS

A letter from the Director, Administrative Office of the U.S. Courts, Washington, D.C., transmitting a draft of proposed legislation to amend chapter 153 of title 28 of the United States Code in reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court (with accompanying papers); to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. JOHNSTON and Mr. CARLSON members of the committee on the part of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

H.R. 2238. An act for the relief of Erwin A. Suehs (Rept. No. 744).

By Mr. LONG of Missouri, from the Committee on the Judiciary, with amendments:

S. 1466. A bill to provide for the right of persons to be represented by attorneys in matters before Federal agencies (Rept. No. 745).

By Mr. ELLENDER, from the Committee on Appropriations, with amendments:

H.R. 9140. An act making appropriations for certain civil functions administered by the Department of Defense, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority and certain river basin commissions, for the fiscal year ending June 30, 1964, and for other purposes (Rept. No. 746).

By Mr. McCLELLAN, from the Committee on Appropriations, with amendments:

H.R. 7063. An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1964, and for other purposes (Rept. No. 747).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DIRKSEN:

S. 2362. A bill for the relief of Marija Matijevic; to the Committee on the Judiciary.

By Mr. MANSFIELD (for Mr. ENGLE):

S. 2363. A bill to incorporate the Air Museum; and

S. 2364. A bill to provide that the Commission on the Disposition of Alcatraz Island shall have 6 months after its formation in which to make its report to Congress; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 2365. A bill to repeal and amend certain statutes fixing or prohibiting the collection of fees for certain services under the navigation laws; to the Committee on Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. LONG of Missouri:

S. 2366. A bill to amend the acts of July 1, 1944, and February 28, 1948, to provide that the Chief Medical Officer of the Federal Bureau of Prisons shall have the title of Assistant Surgeon General; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. LONG of Missouri when he introduced the above bill, which appear under a separate heading.)

RESOLUTION

TO AUTHORIZE A STUDY OF THE LAW OF SUCCESSION TO THE PRESIDENCY

Mr. SCOTT submitted the following resolution (S. Res. 231); which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on Rules and Administration, or any duly authorized subcommittee thereof, is authorized under section 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to make a comprehensive study and investigation of section 19 of title 3 of the United States Code, relating to the law of succession to the Presidency, devoting particular attention to whether such provision of law adequately serves the purpose for which it was enacted.

SEC. 2. For the purpose of this resolution, the committee, from the date on which this resolution is agreed to through June 30, 1964, is authorized to (1) make such expenditures as it deems advisable; (2) employ upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided, That the* minority is authorized at its discretion to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,600 than the highest gross rate paid to any other employee; and (3) with the consent of the heads of the departments or agencies concerned, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings upon the study and investigation authorized by this resolution, together with its recommendations for such legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than June 30, 1964.

SEC. 4. The expenses of the committee under this resolution, which shall not exceed $35,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

REPEAL AND AMENDMENT OF CERTAIN STATUTES RELATING TO FEES FOR CERTAIN SERVICES UNDER THE NAVIGATION LAWS

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to repeal and amend certain statutes fixing or prohibiting the collection of fees for certain services under the navigation laws. I ask unanimous consent that the letter from the Secretary of the Treasury, requesting the proposed legislation, together with an analysis of the bill, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter and analysis will be printed in the RECORD.

The bill (S. 2365) to repeal and amend certain statutes fixing or prohibiting the collection of fees for certain services under the navigation laws, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Commerce.

The letter and analysis presented by Mr. MAGNUSON are as follows:

THE SECRETARY OF THE TREASURY,
Washington, D.C., November 15, 1963.

Hon. LYNDON B. JOHNSON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a proposed bill, to repeal and amend certain statutes fixing or prohibiting the collection of fees for certain services under the navigation laws.

The proposed legislation would repeal certain statutes prohibiting the charging or collection of fees for certain services rendered to vessel owners by the Bureau of Customs. It would further repeal fees presently fixed by statute for other services rendered by the Bureau of Customs to vessel interests and thus permit the Secretary of the Treasury, under general authority, to fix fees to be collected upon the rendering of any of these services.

The services for which a fee may or may not now be charged are more specifically set forth in a memorandum accompanying this letter.

Similar legislation was submitted by the Department to the 87th Congress and introduced as S. 1886. However, the present proposal has been revised to eliminate provisions which would have repealed prohibitions relating to the collection of fees for services under the vessel inspection laws administered by the Coast Guard.

It will be appreciated if you will lay the draft bill transmitted herewith before the Senate. A similar proposal has been transmitted to the House of Representatives.

There is enclosed for your convenient reference a comparative type showing the changes in existing law that would be made by the draft bill.

The Department has been advised by the Bureau of the Budget that there is no objection from the standpoint of the administration's program to the submission of this proposed legislation to the Congress.

Sincerely yours,

DOUGLAS DILLON.

ANALYSIS

The proposed legislation would repeal the statutory provisions against the charging and collection of fees by collectors or other officers of customs for any of the following services:

Measurement of tonnage and certifying same; issuance of a license or granting of a certificate of registry, record, or enrollment; endorsement of change of master; certifying and receiving manifest, including master's oath and permit; granting permit to vessels licensed for the fisheries to touch and trade; payment of entry and clearance fees for vessels engaged in the foreign and coasting trade on the northern, northeastern, and northwestern frontiers; payment of clearance fees for vessels making daily trips between any port in the United States and any port in the Dominion of Canada wholly upon interior waters; granting certificate of payment of tonnage dues; recording bill of sale, mortgage, hypothecation, or conveyance, or the discharge of mortgage or hypothecation; furnishing certificate of title; furnishing a crew list; certificate of protection to seamen; bill of health.

In addition it would abolish certain fees which are prescribed by statute for entry and clearance of vessels, post entry, granting permits to proceed, receiving manifest, change of name of vessel, recording bills of sale, mortgages, hypothecations or other instruments, issuing certificates of ownership and issuing abstracts of title.

The repeal or amendment of these statutes is necessary in order that the Secretary of the Treasury may in his discretion set fee under the provisions of section 501 of the act of August 31, 1951 (5 U.S.C. 140).

It is contemplated that, in those regulations, fees will be established for, but not necessarily limited to, admeasurement of vessels, registry of vessels, issuance of enrollments and licenses, or licenses, renewals of licenses, issuance of special certificates to vessels, authorization for changes of names of vessels, furnishing and recording abstracts of title of vessels, recording of evidence of title to, and encumbrances upon, vessels and the discharge of the latter, entry and clearance of vessels, furnishing certificates of ownership of vessels, furnishing copies of documents, records, or other papers filed in offices of collectors of customs or in the Bureau of Customs, and certifying such copies. There is attached a schedule of proposed fees to be charged for each of the above services. The fees contained in the proposed schedule are based upon the amount of time the average service consumes plus an allowance for overhead cost.

It is also contemplated that, in addition to any fees which may be established in those regulations, there will also be prescribed therein charges for services performed by customs officers at places other than their official stations, as, for example, admeasuring or readmeasuring vessels at such places, entering or clearing vessels at points which are not ports of entry, furnishing customs supervision over vessels at such points, and the like. It is anticipated that any such charge will reimburse the Government for the compensation of the customs officer concerned while absent from his official station as well as any other expense incurred by the Government in connection with the service rendered.

Certain obsolete portions of section 4382 of the Revised Statutes, as amended (United States Code, 1958 ed., title 46, sec. 330), section 4383 of the Revised Statutes (United States Code, 1958 ed., title 46, sec. 333), and the act of June 19, 1886 (United States Code, 1958 ed., title 46, sec. 331), have been included in the comparative type although it is probable that they have been repealed by implication or at least superseded. They are the 16th, 18th, 24th, and 25th items of Revised Statute 4382; the reference to naval officer in Revised Statute 4383; and the last sentence of the act of June 19, 1886.

DESIGNATION OF THE CHIEF MEDICAL OFFICER OF THE BUREAU OF PRISONS AS ASSISTANT SURGEON GENERAL

Mr. LONG of Missouri. Mr. President, the Medical Director of the Federal prison system, an officer of the U.S. Public Health Service, directs the medical services provided to a daily average of nearly 24,000 Federal prisoners. These services have grown in scope over the

years and the responsibilities have particularly increased with the enactment of legislation in 1958 which authorizes offenders to be committed to Bureau of Prisons institutions for observation and recommendation as to sentencing. Typically these cases involve problems of mental competency, physical handicap, or sexual aberration.

The medical center for Federal prisoners is located in my home State of Missouri, and I am familiar with the problems of the doctors and psychiatrists in Federal institutions from my own frequent visits to the medical center and to other Federal prisons. The diagnostic and mental competency procedures require high-caliber personnel to make the necessary studies and prepare recommendations which are meaningful and which the courts can use in determining the ultimate disposition of each case. As it now stands, the task of securing doctors, particularly psychiatrists, who are qualified to carry out these responsibilities is extremely difficult, and to retain them is virtually impossible.

The head of the medical service of the Bureau of Prisons is charged with directing every phase of the medical program, including the selection, training, development, and performance of the medical, dental, and psychiatric staff—consisting of more than 100 commissioned officers, 200 technicians, and a large staff of consultants. He is also guiding the planning of the new psychiatric hospital just entering into construction. But despite the scope of these responsibilities he has no higher Public Health Service grade and receives no larger salary than a dozen of the medical and dental officers stationed at various Federal prisons.

On the basis of his duties and responsibilities I believe that the Medical Director of the Federal Bureau of Prisons should have the grade of Assistant Surgeon General. This would be commensurate with his value and contribution and the additional stature would make the medical service of the Bureau of Prisons much more attractive to the doctors, dentists, and psychiatrists that the Bureau is now trying to recruit and retain.

Therefore, Mr. President, I introduce for appropriate reference a bill which would authorize the grade of Assistant Surgeon General for the Medical Director of the Federal Prison System.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2366) to amend the acts of July 1, 1944, and February 28, 1948, to provide that the Chief Medical Officer of the Federal Bureau of Prisons shall have the title of Assistant Surgeon General, introduced by Mr. LONG of Missouri, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

REDUCTION OF INDIVIDUAL AND CORPORATE INCOME TAXES—AMENDMENT (AMENDMENT NO. 341)

Mr. WILLIAMS of Delaware submitted an amendment, intended to be proposed by him, to the bill (H.R. 8363) to amend the Internal Revenue Code of 1954 to reduce individual and corporate income taxes, to make certain structural changes with respect to the income tax, and for other purposes, which was referred to the Committee on Finance, and ordered to be printed.

PUBLIC WORKS AID FOR CITIES—AMENDMENTS (AMENDMENT NO. 342)

Mr. WILLIAMS of New Jersey. Mr. President, I submit, for appropriate reference, amendments to S. 1856, a bill introduced by the distinguished Senator from Michigan [Mr. MCNAMARA] which would increase the amount authorized to be appropriated to carry out the provisions of the Public Works Acceleration Act.

The first of my amendments would allow any appropriations made as a result of further authorization to remain available until expended, thus providing for sounder planning in the disbursement of funds and greater certainty on the part of local communities in the formulation of their capital improvement programs under the act.

The other amendment is intended to correct a glaring inequity that existed in the original $900 million accelerated public works program enacted by Congress last year.

I want to say that the basic act was a vitally needed and extremely valuable program. It triggered the construction of a host of essential public works—from sewers and libraries to beach erosion projects—and provided much needed job opportunities in areas where unemployment has been substantial.

New Jersey itself especially benefited from the program, having been allocated more than $40 million, as a result of extensive advance planning on the part of our local communities and farsighted leadership and effort on the part of Governor Hughes and other State officials.

Nevertheless, for technical reasons, many areas in New Jersey and throughout the Nation—areas suffering acute problems of severe hard-core unemployment—were denied the opportunity to receive desperately needed assistance under the program to help them cope with the unemployment problem.

In fact, of the 150 major labor market areas in the country, only 35 of them were eligible for aid as of July of this year.

The problem arose because the high unemployment rates of many of the larger cities were lumped with the lower unemployment rates in the more prosperous surrounding counties and suburban communities, and the average thus fell below the 6 percent unemployment rate required to benefit under the act.

Funds have been exhausted under the original authorization, but Congress is now considering legislation to provide up to an additional $1.5 billion for needed public works projects.

I have introduced this amendment because I cannot stand by while additional funds are made available and watch the denial of vitally needed assistance to cities in New Jersey and other States where tens of thousands of people are unemployed and vainly seeking work.

My amendment would make municipalities with exceptionally high rates of hard-core unemployment eligible for aid if the unemployment rate for the larger metropolitan area is at least 5 percent. At present, it is fair to say that eligibility hinges on having an unemployment rate of 6 percent.

I would like to note that my amendment would not make the entire metropolitan area eligible for aid, since many portions of them may be quite prosperous and well able to provide public improvements on their own. It would make eligible only those portions of the labor market area with severe hard-core problems at least as great as the rate of unemployment in other areas now presently eligible under the act.

This amendment is designed as a rifle shot to hit those critical areas of high unemployment that exist in many of our older cities with large numbers of Negroes who suffer an unemployment rate twice as high as the national average, and with large numbers of unskilled workers, minority groups, and undereducated workers who are confronted with truly desperate difficulty in finding jobs in an increasingly technical and automated society.

I might add that if we are to have any genuine hope of finding a satisfactory solution to the problem of job discrimination, we simply have to expand the opportunities for employment for all, so that men need not take out their job frustrations on others because of the color of their skin.

According to statistics as of July of this year, my amendment would extend eligibility to the hard-core unemployment areas of 19 major labor market areas throughout the Nation, 3 of them in New Jersey—the Newark area which embraces Essex, Union, and Morris counties, the New Brunswick-Perth Amboy area, and the Paterson-Clifton-Passaic area.

The other areas are as follows: Los Angeles-Long Beach, Calif.; San Bernardino-Riverside-Ontario, Calif.; San Jose, Calif.; Bridgeport, Conn.; Waterbury, Conn.; Gary-Hammond-East Chicago, Ind.; Terre Haute, Ind.; New Orleans, La.; Worcester, Mass.; Kansas City, Mo.; New York, N.Y.; Utica-Rome, N.Y.; Allentown-Bethlehem-Easton, Pa.; El Paso, Tex.; Spokane, Wash.; and Takoma, Wash.

Mr. President, I earnestly hope the committee now studying this basic legislation and the need for further authorization will give favorable consideration to this amendment and end the omission of so many cities where the greatest numbers of unemployed are to be found, and where the need for new capital improvements are vitally needed if these cities are to continue to serve their indispensable functions in this Nation.

Mr. President, this amendment is cosponsored by Senators YARBOROUGH, RIBICOFF, BAYH, HARTKE, KEATING, and LONG of Missouri.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and referred to the Committee on Public Works.

ESTABLISHMENT OF THE INDIANA DUNES NATIONAL LAKESHORE—ADDITIONAL COSPONSOR OF BILL

Mr. DOUGLAS. Mr. President, I ask unanimous consent that, at its next printing, the name of the junior Senator from New Hampshire [Mr. McINTYRE] be added as an additional cosponsor of the bill (S. 2249) to provide for the establishment of the Indiana Dunes National Lakeshore, and for other purposes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TEST OF KREBIOZEN BY THE NATIONAL INSTITUTES OF HEALTH—ADDITIONAL COSPONSOR OF JOINT RESOLUTION

Mr. DOUGLAS. Mr. President, I ask unanimous consent that the name of the Senator from Missouri [Mr. LONG] may be added as an additional cosponsor of the joint resolution (S.J. Res. 101) authorizing and directing the National Institutes of Health to undertake a fair, impartial, and controlled test of Krebiozen; and directing the Food and Drug Administration to withhold action on any new drug application before it on Krebiozen until the completion of such test; and authorizing to be appropriated to the Department of Health, Education, and Welfare the sum of $250,000, which I introduced, together with other Senators, on July 18, 1963, and that his name may be printed at the time of the next printing of the joint resolution.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDITIONAL COSPONSORS OF BILLS

Under authority of the orders of the Senate, as indicated below, the following names have been added as additional cosponsors for the following bills:

Authority of November 26, 1963:

S. 2333. A bill to redesignate the Peace Corps as the Kennedy Corps: Mr. BAYH, Mr. BYRD of West Virginia, Mr. CANNON, Mr. DOUGLAS, Mr. EDMONDSON, Mr. FONG, Mr. HARTKE, Mr. MAGNUSON, Mr. MANSFIELD, Mr. METCALF, Mr. PROXMIRE, Mr. RANDOLPH, and Mr. RIBICOFF.

Authority of November 27, 1963:

S. 2347. A bill to provide for the establishment of the John Fitzgerald Kennedy Memorial Commission: Mr. BAYH, Mr. CANNON, Mr. DOUGLAS, Mr. EDMONDSON, Mr. FONG, Mr. LONG of Missouri, Mr. RIBICOFF, Mr. SALTONSTALL, Mr. WILLIAMS of New Jersey, and Mr. YARBOROUGH.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, December 5, 1963, he presented to the President of the United States the following enrolled bills:

S. 1243. An act to change the name of the Andrew Johnson National Monument, to add certain historic property thereto, and for other purposes; and

S. 1703. An act to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

HERBERT H. LEHMAN

Mr. JAVITS. Mr. President, I have the very sad duty of announcing to the Senate the death of former Senator Herbert H. Lehman, of which I have just learned. Senator Lehman served in this body from November 1949 to January 1951; and in 1950 he was reelected for the term ending January 3, 1957. At that time he retired, and I had the honor of taking the seat he vacated, following his determination not to seek reelection.

I think it fair to say that Mr. Lehman, as Governor, Senator, and a leading citizen of the State of New York, was one of the most distinguished New Yorkers, not only in his own time, but in the history of our State.

His good works on behalf of the State are fully recorded in the press and the history of his time. During his service in the Senate, he was one of the most beloved Members and one of the most stalwart, outspoken, and high-minded liberals ever to serve in this body. Even though he was a man of wealth and position, he always espoused the cause of those most disadvantaged economically and socially. He was an ardent fighter for the welfare of labor; he was an ardent protector of the natural resources of the people of the State of New York and of the people of the United States.

Even when he returned to private life, following his very great labors as Governor and Senator, he became—notwithstanding his then advanced years—one of the most distinguished leaders in philanthropies that our city has ever known. He undertook with considerable spirit a political reform movement in the very twilight of his life, in order to measure up to the high standards of public service which he had set for himself.

On another occasion, I shall hope to state for the record more of the details of the life of this very famous, very fine, highly patriotic, and most distinguished American, my fellow New Yorker. But today I wish to record my deep sympathy for Mrs. Lehman and the family, all of whom I know very well, and my sympathy for the very great number of causes which, for the moment, following the passing of Governor and Senator Lehman, have been left without a leader.

I know that others will step into his shoes; that is typical of these movements in our State. But for the moment, their grief must be very great, as is mine; and I mourn, along with all others who knew him or knew of him by reputation, the passing, after such a rich, fruitful, and outstanding life, of Gov. Herbert Lehman.

Mr. KEATING. Mr. President, the death of former Governor, former Senator Herbert H. Lehman, is a tragic loss to the State of New York and to the entire Nation. He was a towering figure, who rose above political strife to stand as a statesman and leader before the world.

Senator Lehman was a spokesman for all the people. His deep and continuing concern was for human rights and human dignity. He worked unceasingly for the economic and social betterment of the less fortunate. He was a leader in the struggle for civil rights legislation in Washington. In New York he laid the groundwork for policies of respect and equal treatment to all citizens regardless of race, color, or creed.

Senator Lehman fought for clean and honest government, so that the ideals of representative government would not be tarnished or abused by others who did not share his confidence in or respect for the validity of our system of government. All New Yorkers were proud of his example.

Senator Lehman's life was one of public service and dedication to the highest principles of free and responsible statesmanship.

New York is a better State because he governed it.

There will be sorrow at his passing, of course, but it will be tempered by the knowledge that the people of his State recognized his outstanding ability and used it in the fullest way they could.

He died full of years and honors. He died still remembered, still loved. He died a great New Yorker.

I join my colleague in expressing to Mrs. Lehman and to his devoted family my deepest sympathy.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MANSFIELD. I join the distinguished Senators from the State of New York in expressing my deep sorrow in the passing of our former colleague, Herbert H. Lehman, who served so capably and with such distinction in this body.

His contributions to the welfare of the Nation as a whole were many and varied. He was the Director of UNRRA for many months in the postwar period. He served with distinction as Governor of the State of New York. He graced this body with his energy, ability, and integrity.

It was a distinct loss to many of us to note Senator Lehman's desire not to run again for reelection to the Senate, but he had served honorably and well into the twilight of his years. We missed him when he left us. We miss him more deeply now.

On behalf of Mrs. Mansfield and myself, I wish to extend our deepest sympathy and condolences to Mrs. Lehman and her family in her hour of trial and travail.

Mr. DIRKSEN. Will the Senator yield?

Mr. JAVITS. I yield.

Mr. DIRKSEN. Mr. President, I first came to know Governor Lehman when he was Administrator of the United Nations Relief and Rehabilitation Administration. I had occasion to make a rather extensive trip abroad to survey the work of Federal agencies, and I gave particular attention to that Administration. When I made a report to the House, there were some statements in the report to which Governor Lehman took exception. But he did a most gracious thing. He came to my office and

for hours we discussed the subject, because he had an intimate knowledge of his agency and its operations everywhere in the world.

In all my lifetime I doubt that I have ever encountered any person who had a higher sense of dedication to human causes than had Herbert Lehman. That was a consistent trait in his whole scheme of life. He will be remembered for his many contributions to humanity and for his dedicated work.

I share the spirit of condolence, and hope that our condolences will be conveyed to Mrs. Lehman and her fine family.

Mr. PASTORE. Mr. President, another mighty figure moves into the imperishable pages of history in the passing of Herbert H. Lehman whom we knew as a colleague and valued as a friend.

A man who loved the citadel of home and family, nevertheless, he accepted the challenges of public service as a duty. He had the mind of a statesman, the heart of a humanitarian. His helping hand was always given with sincerity and simplicity. He made an impress on his times—a lasting influence on whatever the future may have in store for our country and the world.

There are many facets of the life of service Herbert Lehman rendered to his fellow man but, like a diamond that only changes its settings, its brilliance and worth were unchanged.

The ancient cause of his people gained a new freshness from his dedication and devotion. The heritage of his people Herbert Lehman shared with all people. He lived by and in the traditions of his beginnings and in the fulfillment of his conscience and his character as an America both of nobility and humility.

He wanted America never to lose her glory as the hope of the world and he worked to preserve this land as a bulwark of liberty, opportunity, and peace.

It was a privilege to have toiled here by his side—it was a pleasure through the years to witness the honors heaped upon him by those who knew him best—and now to those who loved him best—to the family of Herbert Lehman—his near ones and dear ones goes our deepest, heartfelt sympathy.

Mr. DOUGLAS. Mr. President, a great American died today. He was Herbert H. Lehman, of New York. Mr. Lehman had probably the most distinguished and noble career of any Member who has ever served in this body.

He was Lieutenant Governor of New York from 1928 to 1932, when Franklin Roosevelt was Governor, and carried on much of the administrative work of the Governor's office. Mr. Lehman was Governor of New York from 1932 to 1942, serving 10 years. Only one Governor in the history of New York served for a longer period of time.

Upon his retirement as Governor of New York, Mr. Lehman became director general of the United Nations Relief and Rehabilitation Administration, serving without pay for 7 years, and devoting himself to the care and relief of the tens of millions of refugees who were displaced by the war.

He was elected to this body in 1949, and served until 1957.

In my judgment, Herbert Lehman was the noblest Senator of my generation. A man of great wealth, he devoted himself to the interests of the low- and middle-income groups, who had few friends among the powerful. He was completely unselfish. He had the courage of a lion. He was the best man I have ever known in political life.

The Nation can be grateful for the long and heroic life of service by Herbert Lehman, but we mourn the death of a noble American.

Mr. JAVITS. Mr. President, I am grateful to my colleagues for their intercession. I should not fail to mention Governor Lehman's outstanding leadership as a lay person in the field of the Jewish faith. Millions of Americans of the Jewish faith throughout the United States will feel a personal sense of loss in the passing of Gov. Herbert H. Lehman.

CIVIL RIGHTS: WHERE IT STANDS TODAY

Mr. JAVITS. Mr. President, inasmuch as I had another matter of morning hour business, I ask unanimous consent, with the indulgence of the majority leader, that I may proceed for 3 additional minutes.

The ACTING PRESIDENT pro tempore. The Senator from New York is recognized for 3 additional minutes.

Mr. JAVITS. Mr. President, the struggle for civil rights is, for the moment, spotlighted in the other body, where the bipartisan civil rights bill is seemingly stalled awaiting Rules Committee action. A discharge petition, which could bring up the bill for a vote, needs about 60 Republican signatures to become effective—and even then, for practical purposes, it could not be called up until December 23. But we have some responsibilities here—first, to consider our own situation; second, to help, if we can, our colleagues in the other body who are anxious to get to a vote on the bipartisan civil rights bill because this would affect so directly what the Senate does; and third, to call to the attention of our new President the opportunities still available to the Chief Executive on civil rights in the executive department.

Very understandably, the Republican leadership in the other body wishes to fix attention upon the fact that the Rules Committee there has 10 Democratic and 5 Republican members, that the chairman is a Democrat, and that therefore, the inability to move through the Rules Committee in the regular way shows once again the failure of governance inherent in the deep schism in the Democratic Party on this subject. The fact that the President must personally support the discharge petition and that the need for at least 60 Republican signatures is admitted, demonstrate this very clearly. For this reason, civil rights must be and is bipartisan and will remain so.

Therefore, the question now is what can best be done to forward the civil rights bill on that basis. Obviously, Republicans would prefer—and that is the best course—a prompt rule from the Rules Committee, in which case the bill could be brought forward for consideration in the other body and perhaps passed before the Christmas recess. But this course is clearly not available. Therefore, Republicans have only two choices—to get three Republican members of the Rules Committee to request a prompt meeting, which would then have to be backed by a majority of the committee, necessarily including Democrats, or to sign the discharge petition.

Taking either course would demonstrate that Republicans are pursuing the paramount course, which is to leave no step unused which can advance the civil rights cause. Unless a rule can be obtained promptly I believe that signing the discharge petition may turn out to be as important an action in the other body as the vote for cloture of debate on the civil rights bill will ultimately be in the Senate when that test comes here.

It is especially important that action be had in the other body because the majority leadership here in the Senate has clearly announced that it will not take up the civil rights bill in the Senate until it has passed the other body. I have, during the past few months, sharply disagreed with this strategy of waiting for a bill from the House because there is a civil rights bill ready and waiting right here—the public accommodations bill. The Senate Commerce Committee reported this out over 7 weeks ago, 14 to 3, but it has been held back since then from being put on the Senate Calendar. Yet, as this is now for all practical purposes water over the dam, wrong as I believe the strategy adopted by the Senate majority leadership to be, it is nonetheless clear that there is a vital need for action now, and the first practical opportunity presented for it is in the discharge petition in the other body.

Whatever the strategy, action must be taken now. The virtual moratorium on demonstrations for civil rights, which has been in effect for the past few months, may well end soon, and every Member of Congress should know, if he does not already, that public order and tranquillity are at stake in the fight for civil rights legislation—a fight which now boils down, almost too simply, to getting the bill before both Houses, by signing the discharge petition in the House and by voting for cloture in the Senate.

There are promises that there will be hearings before the House Rules Committee. I understand from the news ticker that the House minority leader, Representative HALLECK, has said that he confidently expects the bill to be reported in January, and that the votes of the five Republicans in the Rules Committee will be available. It seems to me that if the discharge petition can accelerate that process and can serve clear notice that a great majority of the House of Representatives wishes a bill to vote upon in order to send it to the Senate for action, it would be a measure of precaution to sign the discharge petition.

The ACTING PRESIDENT pro tempore. The time of the Senator from New York has expired.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may proceed for 1 additional minute.

The ACTING PRESIDENT pro tempore. The Senator from New York is recognized for 1 additional minute.

Mr. JAVITS. It should also be made clear what the bill as it now stands in the House is all about, so that is fully understood that it is neither new nor radical nor departs from the American tradition of preserving both human rights and property rights. The group of Republican House Judiciary Committee Members who yesterday filed their additional views on the bill made this point in detail. I strongly urge all Members to read that excellent documentation of the merits of each title of the bill in part 2 of the printed report, House Report 914.

Finally, I have for some time, in collaboration with my distinguished colleague, Senator HART, been canvassing the Federal departments and agencies to determine the extent to which Federal tax moneys are being spent to support State programs which are segregated or discriminatory, and whether the departments, and agencies believe they have legal power under the Constitution, without enactment of further legislation on the subject, to withhold funds from such programs. On July 2, Senator HART and I introduced into the RECORD the letters which we had each sent and the answers which we had then received. Almost all the replies indicated that there is constitutionally derived authority to remedy this situation even without further congressional authorization and specified what action was in fact being taken. At that time three Departments had not yet submitted full replies. Since then, two of the three have done so, the Department of Labor, which had given a partial answer, and the Department of Agriculture. The third, the Department of Health, Education, and Welfare, has as yet submitted only a partial answer which to me appears to differ from the bulk of the other replies by selecting among the statutes which that Department administers, enforcing nondiscrimination under some but not under others. This I find unwarranted, since the power and duty to withhold funds from unconstitutional activities is derived from the Constitution itself, not from the individual enactments of the Congress.

Mr. President, I ask unanimous consent to have my letters to these three Departments, and their replies since received, printed in the RECORD at this point in my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

APRIL 24, 1963.

Hon. W. WILLARD WIRTZ,
Secretary of Labor,
Department of Labor,
Washington, D.C.

DEAR MR. SECRETARY: It has been reported that in the administration of several programs by your Department:

1. Provisions are not made to assure that persons intended to benefit by the programs are actually aided commensurate with their need and without regard to their race, creed, color or national origin, and that

2. Provisions are not made to obtain assurances that Federal funds will be administered in a nondiscriminatory manner, and, through a system of compliance reporting and surveillance, to see that these assurances are carried out.

Would you be good enough to advise me at your earliest convenience as to the following questions:

A. State employment service: What reporting and compliance procedures have been established to ascertain the extent to which State employment offices are conforming to the policies of the U.S. Employment Service which prohibit the acceptance and processing of job orders containing discriminatory specifications? What reviewing and reporting procedures have been established to determine whether Negro and white job applicants are receiving equal service on a nondiscriminatory basis at previously segregated employment service offices? Where are segregated offices still maintained? To what extent are applicants limited to particular local offices by geographic districts and neighborhoods and to what extent does this practice operate to limit equal job opportunity?

B. Apprenticeship program: What procedures have been established to measure the impact of the nondiscrimination provision which is now included in registered apprenticeship standards? Where are Negroes participating in training programs from which they had heretofore been excluded? Since the adoption of this policy, which State apprenticeship agencies have adopted a corresponding policy statement?

C. Manpower Development and Training Act and Area Redevelopment Act: What steps have been taken to assure that all potential trainees are recruited, selected, tested and referred on a nondiscriminatory basis? Please furnish a list of programs which have only white trainees, those which have only Negro trainees and those which have both, including the locations of the programs and the skills for which persons are being trained. Where State employment services do not operate on a nondiscriminatory basis, has your Department considered performing these functions directly under MDTA?

D. Is it your Department's view that sufficient authority already exists under the Constitution or laws of the United States to condition the grant of Federal funds upon assurance of nondiscrimination, or is enactment of further Federal law considered necessary?

I would appreciate your early reply.

With best wishes,

Sincerely,

JACOB K. JAVITS.

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE UNDER SECRETARY,
Washington, D.C., July 25, 1963.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: This is in further response to your letter of April 24, 1963, and provides the additional information which was indicated in my letter of June 7 to be under preparation. You will recall that question D of your letter asked whether the Department possessed sufficient authority to condition the grant of Federal funds upon assurance of nondiscrimination and whether enactment of further Federal law was considered necessary.

It is the position of the Department of Labor that we have sufficient legal authority to condition grants of Federal funds upon assurance that the funds will be administered in a nondiscriminatory manner. It is on this legal ground that the Department has initiated administrative actions to end segregated facilities and services in State employment security offices; to end discrimination in apprenticeship programs registered with the Bureau of Apprenticeship and Training of the Department of Labor and to condition approval of Manpower Development and Training Act projects on the requirement that selection and referral to such projects shall be performed in a nondiscriminatory manner. In view of this authority, therefore, the Department does not feel it needs the enactment of specific new legislation.

As you know, however, the legal position of the Department of Labor may not be identical to that of other Departments of Government. In his recent message to Congress on civil rights and job opportunities, President Kennedy stated:

"Many statutes providing Federal financial assistance, however, define with such precision both the Administrator's role and the conditions upon which specified amounts shall be given to designated recipients that the amount of administrative discretion remaining—which might be used to withhold funds if discrimination were not ended—is at best questionable."

The President therefore called for enactment of "a single comprehensive provision making it clear that the Federal Government is not required, under any statute, to furnish any kind of financial assistance—by way of grant, loan, contract, guaranty, insurance or otherwise—to any program or activity in which racial discrimination occurs." The Department of Labor supports enactment of legislation that would authorize administrators to withhold Federal funds, where they do not already have such authority, from programs in which racial discrimination occurs.

Your letter also raised questions about operations of the State employment service, apprenticeship program, and the Manpower Development and Training Act. A memorandum responding to these questions is enclosed. In addition, I am also enclosing a copy of General Administration Letter No. 711 issued by the Bureau of Employment Security which deals with several of the questions raised.

Please let me know if I may be of further assistance to you in this matter.

With best wishes and kindest personal regards, I remain,

Sincerely yours,

JOHN F. HENNING,
Under Secretary of Labor.

MEMORANDUM IN RESPONSE TO QUESTIONS OF SENATOR JAVITS ON ADMINISTRATION OF PROGRAMS BY THE DEPARTMENT OF LABOR

A. STATE EMPLOYMENT SERVICE

1. What reporting and compliance procedures have been established to ascertain the extent to which State employment offices are conforming to the policies of the U.S. Employment Service which prohibit the acceptance and processing of job orders containing discriminatory specifications?

Answer. Periodic reviews and evaluations of State employment service operations, which take into account the conformance of local offices to employment service procedures and policies which prohibit the acceptance and processing of job orders containing discriminatory specifications are made by the regional offices and the national office. While specific inquiry into the incidence of such orders may be made in the course of review, orders containing discriminatory specifications are not reported to the Bureau.

2. What reviewing and reporting procedures have been established to determine whether Negro and white job applicants are receiving equal service on a nondiscriminatory basis at previously segregated employment service offices?

Answer. Integration of most previously segregated employment service offices has been accomplished concurrently with reorganization of offices. A followup review and evaluation is made of all reorganized metropolitan offices by national and regional office

staff of the Bureau, and by State office staff, after a reasonable period following the installation of the new organization. The purpose of this review is to ascertain how the reorganized activities of the office are functioning, whether the reorganization is in conformity with the recommended plan, and whether the services provided to applicants and employers are adequate and effective. Such a followup review is made of formerly segregated metropolitan offices which are reorganized. In addition, reviews of local offices have been made by regional office staff upon a specific complaint, and remedial action has been taken if the allegations of the complaint have been confirmed.

Plans are now being developed for periodic and more comprehensive evaluations of local office compliance with Bureau policies and procedures barring racial discrimination in services to applicants. Our existing policy of making no indication of an applicant's race, creed, color, or national origin on any office record adopted to assure minority applicants equal opportunity in selection for job openings and training opportunities, makes it somewhat more difficult to evaluate or maintain surveillance upon local office services to minority applicants.

3. Where are segregated offices still maintained?

Answer: During the last several years, the Bureau has been actively working with State agencies to extinguish all segregated local office facilities. Significant progress toward this objective has been made, resulting in the elimination of a considerable number of segregated offices and in plans for the elimination of most of those now existing. According to information recently compiled by the Bureau, segregated local office facilities now are maintained:

Location and comment

1. Physically Separate Offices

Jacksonville, Fla.: Suboffice for Negro labor and domestic workers to be closed and operations transferred to integrated building within 60 to 90 days.

Lakeland, Fla.: Suboffice for Negro labor and domestic workers. State agency contends it is needed for convenience of applicants and employers, and no closing date scheduled.

Chattanooga, Tenn.: Office for Negro applicants to be closed as soon as suitable space for integrated operations located.

2. Segregated Services Within Single Office

Montgomery, Ala.: Integration scheduled for July 1963.

Atlanta, Ga.: Integration scheduled for July 1963.

Kinston, N.C.: Integration scheduled for August 1963.

Rocky Mount, N.C.: Integration scheduled for August 1963.

Since January 1961 segregation has been eliminated from the following offices:

1. Physically Separate Offices

Oklahoma City, Okla.; Tulsa, Okla.; Muskogee, Okla.; Fort Lauderdale, Fla.; St. Petersburg, Fla.; West Palm Beach, Fla.; Knoxville, Tenn.; Memphis, Tenn.; and Nashville, Tenn.

2. Segregated Services Within Single Office

Mobile, Ala.; Birmingham, Ala., Columbus, Ga.; Atlanta, Ga. (clerical and sales); Atlanta, Ga. (labor and domestic); Atlanta, Ga. (claims); Augusta, Ga.; Macon, Ga.; Savannah, Ga.; Texarkana, Tex.; Greensboro, N.C.; Raleigh, N.C.; Durham, N.C.; Charlotte, N.C.; Asheville, N.C.; Fayetteville, N.C.; High Point, N.C.; Wilmington, N.C.; Winston-Salem, N.C.; Richmond, Va.; Norfolk, Va.

4. To what extent are applicants limited to particular local offices by geographic districts and neighborhoods and to what extent does this practice operate to limit equal job opportunity?

Answer. Nonwhite applicants are limited to particular local offices as described in the statements pertaining to the three geographically separated offices discussed above. In these cases the limitation is not on the basis of district or neighborhood, since these offices serve nonwhite applicants without regard to residential site. While these offices are located in or adjacent to Negro residential areas, the job orders which they handle are those known or understood to be for Negro workers and come from employers throughout the local office area. In situations of this kind, the opportunity for nonwhite applicants to compete for job openings outside the traditional racial employment pattern and the assistance in competing for such openings given them by the Employment Service are severely restricted.

In some large metropolitan areas, district or neighborhood offices tend to limit opportunities for applicants if the job orders handled by the office are received primarily from employers in the district or neighborhood in which the office is located. This deterrent to an applicant's exposure to all job openings held by the Employment Service in the community has been recognized, and such measures as the establishment of centrally located offices where applicants will be exposed to all job openings, and multiple registration of applicants in several offices have been utilized to overcome this disadvantage. We do not believe that this is now a serious problem, because of the improvements which have been and are being wrought in metropolitan area organization and services.

B. APPRENTICESHIP PROGRAM

1. What procedures have been established to measure the impact of the nondiscrimination provision which is now included in registered apprenticeship standards?

Answer. Factual data on the impact of nondiscrimination provision required in all apprenticeship programs registered since 1961, and in all programs involved in Federal construction, is not available in significant detail. The very prohibitions against designations of race have somewhat complicated the statistical job of determining minority participation in apprenticeship programs. Nevertheless, the Bureau of Apprenticeship and Training has instructed its field representatives to collect in whatever manner possible exact data on racial composition of apprenticeship classes so that the impact of the equal opportunity program can be determined. It is expected that within 6 months sufficient data will be available to provide an indication of the impact of this program.

2. Where are Negroes participating in training programs from which they had heretofore been excluded?

Answer. For the reasons cited above it is nearly impossible to provide data which would authenticate a judgment about training programs to which Negroes have been newly admitted. Aside from the construction trades programs in the District of Columbia which have the active attention of the Department as well as of the President's Committee on Equal Employment Opportunity, data about increasing Negro participation will await implementation of the reporting system outlined in the question immediately above. Over a period of time it should be possible under this system to indicate with a fair degree of accuracy exactly in what fields increasing opportunities for apprenticeship are being made available to minority persons.

3. Since the adoption of this policy, which State apprenticeship agencies have adopted a corresponding policy statement?

Answer. The States of New York, Kentucky, California, Arizona, Nevada, and New Mexico have nondiscrimination provisions in their apprenticeship legislation. The Bureau of Apprenticeship and Training is preparing a current list of actions taken by State apprenticeship agencies to provide for nondiscrimination clauses in apprenticeship standards. This data is expected to be tabulated within the next few weeks.

The Bureau of Apprenticeship and Training is active in promoting apprenticeship opportunities for minority groups by working with the minority community, employers and labor unions in its field office locations. Industrial training advisers have been assigned to five of the Bureau's regional offices and an industrial adviser coordinator is assigned to the headquarters staff of the Bureau. These advisers act to promote increased job opportunities in established apprenticeship programs in cooperation with the technical field personnel of the Bureau. There are indications that there will be an increase in job opportunities in apprenticeship and training for minority group members as this promotional effort gains impetus. Using the services of the industrial training advisers, it is proposed to establish apprenticeship information centers similar to those in California and New York City in other locations in the country where there were are good prospects for their successful operation and where it will be possible to enlist minority group organizations to assist in selecting qualified applicants for referral to available job opportunities as these are promoted. An important adjunct of the apprenticeship information centers will be community activity through the public school guidance departments, the employment service, the minority community, labor and management. The Bureau of Apprenticeship and Training is now working with the District of Columbia Apprenticeship Council and the District Employment Service to establish such a center in Washington.

C. MANPOWER DEVELOPMENT AND TRAINING ACT, AND AREA REDEVELOPMENT ACT

1. What steps have been taken to assure that all potential trainees are recruited, selected, tested ,and referred on a nondiscriminatory basis?

Answer. During the past several months the Department has taken a number of steps to obtain conformity by the States with the policies which prohibit discrimination because of race, color, or creed in the operations of State employment services. To the degree that all services of the State agencies are conducted on a nondiscriminatory basis, the services provided under MDTA will also be on such a basis. In this respect the measure taken by the Department and outlined in answers to questions about the State employment service are relevant to the Manpower Development and Training Act. General Administration Letter No. 711, a copy of which is enclosed, directs State employment agencies to effect immediate compliance with departmental regulations. It should be noted that it specifically includes a requirement that all services performed in connection with referral of persons to training opportunities, must be performed in a nondiscriminatory manner.

2. Please furnish a list of programs which have only white trainees, those which have only Negro trainees and those which have both, including the locations of the programs and the skills for which persons are being trained.

Answer. With respect to your request for a list of all programs covering the 30,000 persons who have entered training indicating the race of each trainee, location of the program and skill for which the trainee is being trained, preparation of such a list will require a great deal of time and effort inasmuch as we do not keep all such data on a project-by-project basis and it must be specially assembled and processed. We do have some information on your area of inquiry, however, and I am enclosing it for your

consideration. Approximately 2 months ago an analysis was made of persons then in training numbering approximately 6,000. This shows the racial composition of training groups, their age and other data. Since that time an estimated 24,000 additional persons have entered training and overall data on them is being prepared. In addition, in testimony July 8 before a select subcommittee of the House Education and Labor Committee, Secretary Wirtz stated that more than half of Negro Manpower Development and Training Act trainees are enrolled in courses leading to white-collar and skilled jobs. A chart showing the breakdown of these data is enclosed.

3. Where State employment services do not operate on a nondiscriminatory basis, has your Department considered performing these functions directly under the Manpower Development and Training Act?

Answer. The President in his civil rights message June 19, 1963, directed the Secretaries of Labor and Health, Education, and Welfare "to make use of their authority to deal directly with communities and vocational schools whenever State cooperation or progress is insufficient. * * *" This directive referred to a number of programs, including the Manpower Development and Training Act. Although the Department has not yet found it necessary to invoke the authority it possesses to operate directly in States where the employment service is not in conformity with Federal regulations, it is considering the efficacy of such action in the light of the President's request.

U.S. DEPARTMENT OF LABOR,
BUREAU OF EMPLOYMENT SECURITY,
Washington, D.C., June 28, 1963.

To: All State employment security agencies.
Subject: Elimination of segregated office facilities, elimination of discrimination in the operation of Employment Service offices, and adoption of revised merit system standards.
Reference: GAL No. 683.
Purpose: To outline required actions to eliminate discriminatory practices in State employment security agencies.

Recent Federal court decisions consistently have held that public funds cannot be used to maintain or operate any facility or Government program in any discriminatory manner whatsoever based on race, creed, color, or national origin. This holding of the courts is equally applicable to funds granted or made available by the Federal Government to the States for the operation of the employment security program.

All State employment security agencies which have not already done so are accordingly required to take the following actions to conform with established policy:

1. Eliminate all racially segregated office facilities and operate such facilities without distinction based on race, creed, color, or national origin. In any specific case, or cases, in which a State employment security agency has formulated a plan to eliminate a racially segregated office and the plan cannot be effected by July 31, 1963, because of a legal commitment such as a lease, the State agency will submit such plans to the Bureau's national office for consideration.

2. Fully comply with established policies which prohibit any form of discrimination based on race, creed, color, or national origin in services provided to applicants, claimants, or others, including registration, selection, and referral for employment or training opportunities, counseling, or testing.

3. Fully comply with the revised merit system standards enclosed with GAL No. 683. The revised standards require: (1) a prohibition in State law, rules, or regulations against discrimination on the basis of race, creed, national origin, or other nonmerit factors, and (2) provision for appeals in cases of alleged discrimination.

4. Cooperate with governmental fair employment practice or antidiscrimination authorities by furnishing information developed through the operation of the employment security system relating to fair employment practices.

The policies of the U.S. Employment Service, published in title 20 of the Code of Federal Regulations, are being amended to reflect these requirements. A copy of the proposed amendment is attached. Appropriate revisions of Employment Security Manual materials are being made and will be distributed promptly.

Manualization required: Employment Security Manual, part I and part II (appropriate sections will be revised).

Rescissions: None.

Sincerely yours,

ROBERT C. GOODWIN,
Administrator.

PROPOSED AMENDMENT

Section 604.8, chapter V, title 20 CFR (service to minority groups) is amended by adding the following new subsections:

(e) To register, counsel, test, select, and refer applicants to job openings and training opportunities on the basis of their occupational qualifications or suitability for training, and to conduct these and all other activities performed by or through employment service offices financed in whole or in part from Federal funds without regard to race, creed, color, or national origin.

(f) To make no selection or referral of applicants on job orders containing any discriminatory specification(s) with regard to race, creed, color, or national origin.

(g) To cooperate with governmental fair employment practice or antidiscrimination authorities by furnishing information developed through the operation of the employment security system relating to fair employment practices.

CHARACTERISTICS OF 6,000 WHITE AND NONWHITE PERSONS ENROLLED IN MANPOWER DEVELOPMENT AND TRAINING ACT TRAINING

(Data presented in this article represent the first to become available on characteristics of Manpower Development and Training Act trainees by race.)

Differences in personal characteristics between men and women Manpower Development and Training Act trainees were considerably more significant than between white and nonwhite trainees of the same sex, according to preliminary data by color on some 6,000 individuals enrolled in training. Less than 1,000, or 16.2 percent of the total were nonwhites, although the latter made up 22 percent of the unemployed in 1962. Since Negroes constituted over 85 percent of the nonwhite trainees, data for nonwhites closely approximately, the information for Negroes alone.

The typical white male trainee was the head of a family or household and had been jobless for periods of up to 14 weeks before being selected for training. He was between 22 and 34 years of age, had completed high school, and had over 3 years of gainful employment prior to undertaking training. His nonwhite counterpart had virtually identical characteristics.

The typical white female trainee, like the nonwhite female enrollee, was not the head of a family or household. She was under 35 years of age, had finished high school, and had over 3 years of gainful employment. Despite her schooling and work experience, she had been unemployed for at least 15 weeks before undertaking training.

Nonwhite men constituted 21 percent of the unemployed males in 1962 but 14 percent of the male trainees. Nonwhite women accounted for 24 percent of the jobless women in 1962 but 20 percent of the female trainees.

Approximately three-fifths of the 6,000 trainees were men—about the same as their proportion of the unemployed. About half of the nonwhites were men, compared with over three-fifths of the whites.

Relatively twice as many enrollees as all unemployed in 1962 had been jobless for over 6 months. Nonwhites represented a somewhat higher proportion than whites of the long-term (over 6 months) unemployed. The difference was largely among men. The proportion of women who had been jobless for such a duration was about the same for whites and nonwhites, but relatively more of the nonwhite than of the white men were in this unemployment category.

The Manpower Development and Training Act trainees tended to be younger than the average of all unemployed. About half of the men were in the "prime" age bracket—22 to 34 years of age—as compared with less than a third in the Nation's unemployed in 1962. However, relatively more nonwhite than white men were in this age bracket. Three-fifths of the nonwhite and less than half of the white men were in this grouping. On the other hand, there were relatively fewer nonwhites than whites in the older (45 and over) and younger (under 22) age groups.

Well over half of all enrollees had at least a high school education. This was true both by sex and by color, although relatively more women than men had completed secondary school, and comparatively more nonwhites than whites had some college training.

OVER 6,000 TRAINEES IN SURVEY

In 1962, nonwhite men accounted for 21 percent of all jobless males and nonwhite women for 24 percent of unemployed females. About 1,000 nonwhites, or 16.2 percent of the trainees, were enrolled in Manpower Development and Training Act courses, according to preliminary data by color on some 6,000 enrollees.

TABLE 1.—*Persons enrolled*[1] *in Manpower Development and Training Act training, by sex and color, April 1963*

Sex	Total		White		Nonwhite	
	Number	Percent	Number	Percent	Number	Percent
Total	6,029	100.0	5,052	100.0	977	100.0
Men	3,599	59.7	3,100	61.4	499	51.1
Women	2,430	40.3	1,952	38.6	478	48.9

[1] Does not cover all trainees; only those for whom an MT-101 was available and for whom information on color was obtained.

NOTE.—Based on preliminary data processed as of Apr. 24, 1963.

Participation of all men in the training program is roughly in proportion to their representation in the unemployed in 1962. Men accounted for about three-fifths of all trainees, approximately the same as their proportion of all unemployed. Nonwhite men, who made up 59 percent of all nonwhite unemployed in 1962, accounted for 51 percent of the nonwhite trainees.

ABOUT 45 PERCENT ARE LONG-TERM JOBLESS

As indicated in previous reports on characteristics of trainees, MDTA training programs are reaching the long-term unemployed. Nearly 30 percent of the 6,000 trainees in this survey had been jobless for over half a year, twice the proportion among all unemployed in 1962. Some 18 percent had been looking for work for more than a year.

A somewhat greater proportion of nonwhites (32 percent) than of whites (28 percent) had been unemployed for over 6 months. In particular, nonwhite men were

more apt to have extended periods of unemployment than white men.

Women, both white and nonwhite, figured prominently among the very long term unemployed. Over 30 percent of the women had been jobless for more than a year before being enrolled in training. There was no significant difference between white and non-white women in this respect.

TABLE 2.—*Percent distribution of persons enrolled in Manpower Development and Training Act training, by duration of unemployment,[1] color, and sex, April 1963*

Color and sex	Total	Duration of unemployment (weeks)				
		Under 5	5–14	15–26	27–52	Over 52
Total	100	25.8	29.4	16.1	11.2	17.6
Men	100	29.3	35.7	17.7	9.8	7.6
Women	100	21.1	20.6	13.8	13.1	31.4
White	100	26.1	29.8	16.0	10.9	17.2
Men	100	29.8	36.0	17.6	9.3	7.3
Women	100	20.8	20.5	13.7	13.3	31.8
Nonwhite	100	24.0	27.4	16.4	12.6	19.6
Men	100	25.4	33.9	18.3	12.9	9.6
Women	100	22.5	21.5	14.5	12.3	29.7

[1] Weeks of unemployment immediately prior to selection for MDTA training.

NOTE.—Based on preliminary data processed as of Apr. 24, 1963.

TRAINEES ARE YOUNG

Nonwhite trainees were, on the average, younger than whites. About 23 percent of the nonwhites were 35 years of age or over compared with 32 percent of the whites. Over half of the nonwhites were in the prime age bracket—22 to 34 years of age—while two-fifths of the whites were in this age category. Relatively fewer nonwhites were in the older age group—45 years of age and over—and in the younger age groups—under 22 years of age. Three-fifths of the nonwhite men were concentrated in the 22 to 34 age group, compared with less than half of the white men.

TABLE 3.—*Percent distribution of persons enrolled in Manpower Development and Training Act training, by age, color, and sex, April 1963*

Color and sex	Total	Age group (years)				
		Under 19	19–21	22–34	35–44	45 and over
Total	100	4.8	22.2	42.5	20.5	10.0
Men	100	4.8	22.9	49.1	16.1	7.2
Women	100	4.9	21.3	32.7	26.9	14.2
White	100	5.1	22.8	40.1	20.7	11.2
Men	100	5.0	23.7	47.3	16.0	7.9
Women	100	5.1	21.4	28.8	28.2	16.4
Nonwhite	100	3.4	19.0	54.5	19.0	4.0
Men	100	3.8	17.5	60.0	16.7	2.8
Women	100	3.8	20.7	48.7	21.5	5.3

NOTE.—Based on preliminary data processed as of Apr. 24, 1963.

NEARLY TWO-THIRDS HAVE FINISHED HIGH SCHOOL

The average trainee enrolled in Manpower Development and Training Act courses had more formal schooling than the average jobless person in 1962. About 65 percent of the trainees had completed high school, whereas the median achievement of all jobseekers in 1962 was the 10th grade. Among the enrollees, nonwhites had more formal schooling than whites. Nearly 70 percent of the enrollees had completed high school compared with less than two-thirds of the whites.

The differences in educational backgrounds are more striking for those who had some college training. Over 17 percent of the nonwhites had progressed beyond high school, compared with only 10 percent of the whites.

At the other end of the educational scale, 9 percent of all trainees had no more than 8 years of school. Relatively more of the whites and relatively fewer of the nonwhites were reported in this classification.

TABLE 4.—*Percent distribution of persons enrolled in Manpower Development and Training Act training, by education, color, and sex, April 1963*

Color and sex	Total	Education (highest grade completed)				
		Under 8	8	9–11	12	Over 12
Total	100	2.4	6.2	26.0	54.0	11.4
Men	100	3.2	7.8	28.8	50.4	9.9
Women	100	1.1	3.9	21.9	59.3	13.7
White	100	2.5	6.8	26.0	54.5	10.3
Men	100	3.2	8.4	28.5	50.7	9.2
Women	100	1.2	4.2	22.1	60.6	11.9
Nonwhite	100	1.9	3.5	25.8	51.3	17.4
Men	100	3.2	4.0	30.5	48.5	13.8
Women	100	.6	2.9	21.0	54.3	21.2

NOTE.—Based on preliminary data processed as of Apr. 24, 1963.

MOST HAVE STRONG ATTACHMENT TO THE LABOR FORCE

The Manpower Development and Training Act is oriented toward assisting the adult unemployed worker. Toward this end, provision is made for the payment of regular allowances to such workers who are either heads of families or households and who have had at least 3 years of gainful employment.

Approximately three-fifths of both white and nonwhite enrollees were either heads of families or of households. In both groups, the proportion of men who were family heads was substantially higher than that of women.

TABLE 5.—*Percent distribution of persons enrolled in Manpower Development and Training Act training, by family status, color, and sex, April 1963*

Color and sex	Total	Family status	
		Head of family or household	Other
Total	100	58.6	41.4
Men	100	70.7	29.2
Women	100	40.5	59.5
White	100	58.5	41.5
Men	100	70.0	30.0
Women	100	40.2	59.8
Nonwhite	100	49.0	41.0
Men	100	75.5	24.5
Women	100	41.8	58.2

NOTE.—Based on preliminary data processed as of Apr. 24, 1963.

About three-fourths of all trainees met the test of years of gainful employment to qualify for regular allowances. There was little difference in the proportions of whites and nonwhites meeting this requirement. Among the nonwhites, however, relatively twice as many men as women had worked for 10 or more years prior to undertaking training.

At the other end of the scale, about one-fourth of the white and of the nonwhite trainees had less than 3 years of employment. However, in both groups, approximately twice as many women as men were in this category.

TABLE 6.—*Percent distribution of persons enrolled in Manpower Development and Training Act training, by years of gainful employment, color, and sex, April 1963*

Color and sex	Total	Years of gainful employment		
		Under 3	3–9	10 or more
Total	100	24.6	45.1	30.3
Men	100	18.3	46.0	35.7
Women	100	34.1	43.8	22.2
White	100	24.4	44.8	30.8
Men	100	18.6	45.7	35.6
Women	100	33.5	43.4	23.1
Nonwhite	100	26.0	46.4	27.6
Men	100	16.3	47.4	36.3
Women	100	36.2	45.3	18.4

NOTE.—Based on preliminary data processed as of Apr. 24, 1963.

APRIL 19, 1963.

Hon. ORVILLE L. FREEMAN,
Secretary of Agriculture,
Department of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: It has been reported that in the administration of several programs by your Department:

1. Provisions are not made to assure that persons intended to benefit by the programs are actually aided commensurate with their need and without regard to their race, creed, color, or national origin; and that

2. Provisions are not made to obtain assurances that Federal funds will be administered in a nondiscriminatory manner, and, through a system of compliance reporting and surveillance, to see that these assurances are carried out.

Would you be good enough to advise me at your earliest convenience as to the following questions:

A. What steps are being taken to encourage recruitment of nonwhite employees in your Department, particularly at higher level supervisory positions and to assure promotion without regard to race? The employment statistics of the Department, when compared to those of other Departments, are most disturbing.

B. Farmers Home Administration: Where have Negroes been appointed to State and county FHA committees? Where are Negroes employed by FHA outside of Washington? Has the segregated employment of Negro field employees been terminated? To what extent do Negro farmers utilize the benefits of the FHA program? Is any effort being made to increase use of this program by Negro farmers?

C. Federal Extension Service: To what extent has discrimination and segregation been eliminated from this program in terms of salaries, personnel, office facilities and operating procedures? Are the benefits of this program reaching Negro farmers commensurate with their needs?

D. What provisions are being made to eliminate segregation in the 4–H Club program?

E. Soil conservation service: Is this program run on a segregated basis similar to the FHA and extension service programs, i.e., are there Negro specialists to work with Negro farmers? Are the benefits of this program reaching Negro farmers commensurate with their needs?

F. School lunch and milk programs: Is there a disparity in the benefits afforded to white and Negro children under the program in States where schools are segregated? If so, what accounts for this disparity? Are the needs of Negro children being adequately served under the existing program?

G. Rural area development: What steps have been taken or are contemplated to afford

expanded opportunities for Negroes under the rural area development program?

H. Is it your Department's view that sufficient authority already exists under the Constitution or laws of the United States to condition the grant of Federal funds upon assurance of nondiscrimination, or its enactment of further Federal law considered necessary?

Attached is a copy of a recent Southern Regional Council study of Negro farmers in South Carolina. May I have your comments on this study?

I would appreciate your early reply.

With best wishes,

Sincerely,

JACOB K. JAVITS.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., November 8, 1963.

Hon. JACOB K. JAVITS,
U.S. Senate.

DEAR SENATOR JAVITS: Some time ago you raised a series of questions as regards several programs of this Department, with particular reference as to safeguards in these programs to guarantee that persons benefit from them without regard to their race, creed, color or national origin. You expressed concern also as to whether or not Federal funds as represented in the administration of these programs are utilized in a nondiscriminatory manner and, if not, did present legislation provide adequate authority to withhold these programs should discrimination occur.

We have now completed our inquiry into these and other specific problems you raised about several of our agency programs and herewith submit a response.

Sincerely yours,

JOSEPH M. ROBERTSON,
Administrative Assistant Secretary.

QUESTIONS AND ANSWERS

OFFICE OF PERSONNEL

Question. What steps are being taken to encourage recruitment of nonwhite employees in your Department, particularly at higher level supervisory positions and to assure promotions without regard to race?

Answer. Considerable effort has gone into improving the Department's equal employment opportunity posture since the Executive order on equal employment opportunity became effective. A major step taken by the Director of Personnel was the establishment of the position of Assistant to the Director of Personnel for Intergroup Relations. This position was filled by a competent Negro whose primary responsibility is to concentrate on problems of minority groups in relation to employment discrimination in the USDA. The Assistant to the Director has given focus and direction to efforts aimed at eliminating bias and promoting employment based on merit in the Department.

The Assistant to the Director of Personnel for Intergroup Relations has undertaken two programs to determine the degree of under-utilization of minority group qualifications and skills in the Department and to inquire into promotion patterns.

One program involves the mailing of a self-analyzing questionnaire to all employees, grade 5 and below, which seeks information as to training, education, and qualifications not being presently utilized in their current assignment.

The second is the Department's plan to include minority group designation in an overall study which the Personnel Research Staff of the Office of Personnel is making of the relationship of various factors; i.e., training, education, experience, tenure, etc., to advancement and utilization.

In addition to this, visits have been made to the major Negro land-grant college campuses in the South and contact established with placement and guidance officers to attract quality graduates for employment in the Department.

Other efforts to encourage nonwhite application include a series of articles in the Negro press with photographs of Negro employees in high level positions, many of which are "firsts" for the agency cited, and a pictorial brochure depicting the increased use of minority groups in the Department is presently being distributed widely. (Copy attached.)

A conference was held in the Department last spring between representatives of Negro land-grant colleges and top Department officials to develop a closer liaison and to emphasize the Department's desire to utilize qualified graduates from these schools.

Agricultural Research Service, an agency of the Department, has designated recruitment representatives to Negro land-grant colleges who will develop and maintain a continuing relationship with these schools, reviewing curriculum content, and assuring that course requirements will qualify graduates for consideration of specific job opportunities in that agency.

On May 13 and 14, Vice President Johnson, Chairman of the President's Committee on Equal Employment Opportunity, opened a 2-day executive review meeting of equal employment opportunity efforts in the Department which was attended by agency administrators and their top staffs. Department policies and expectations were underscored, and workshops were held the second day at which the conferees received guidance from competent discussion leaders to improve future affirmative action efforts.

A review of 1962 statistics on the use of minorities in Agriculture as compared with 1961 reveals that the Department hired fewer Negroes percentagewise in the lower grades (1 to 4), and increased its employment of this group in the middle and upper grades considerably. For example, in 1962 total employment in grades (1 to 4) increased 21.6 percent, while Negro employment in these grades rose only 1.1 percent; in grades (5 to 11) nonwhite employment advanced 18.5 percent as against 7.6 percent white; and in grades (12 to 18) wherein the percent advance for the total Department was 16.8 percent, Negro employment skyrocketed to 205.7 percent. Admittedly the number of nonwhites in these upper grades remains small and yet this represents a trend away from the use of minority group employees predominantly in the lower grades, where they are presently concentrated, which we hope will result in an increasing use of their skills and potentials throughout the Department.

The office of personnel staff has met with Agriculture officials in cities across the country, along with the President's Committee on Equal Employment Opportunity, to reiterate our concern and determination that the Department seek out and utilize the skills of minority groups at all levels without discrimination.

The Joint Committee of the U.S. Department of Agriculture and the Land-Grant Universities on Training for Government Service meets twice each year. This Committee has one Negro member. It is an important Department contact and liaison with the land-grant schools.

FARMERS HOME ADMINISTRATION

Question. Where have Negroes been appointed to State and county FHA committees? Where are Negroes employed by FHA outside of Washington? Has the segregated employment of Negro field employees been terminated? To what extent do Negro farmers utilize the benefits of the FHA program? Is any effort being made to increase use of this program by Negro farmers?

Answer. Since January 1961, Negro members have been appointed to State advisory committees in Mississippi and North Carolina; and to county committees in Phillips and Jefferson Counties, Ark.; and Okmulgee County, Okla.

Farmers Home Administration employs 29 Negroes in professional program positions outside of Washington. Ten of these employees have been hired since January 1961. These professional employees are headquartered at the following locations: Tuskegee, Ala.; Little Rock, Marianna, Marion and Helena, Ark.; San Jose and San Diego, Calif., Marianna, Fla.; Americus, Ga.; Alexandria, La.; Greenville, Jackson and Lexington, Miss.; Caruthersville, Mo.; Halifax, Lumberton, Graham, and Whiteville, N.C.; Okmulgee, Okla; Christiansted and St. Croix (Virgin Islands), Puerto Rico; Kingstree, Orangeburg and Sumter, S.C.; Jackson and Brownsville, Tenn.; Temple and Carthage, Tex.; and Petersburg, Va.

Farmers Home Administration also has clerical Negro employees outside of Washington as follows: One employee in each of these States—Colorado, California, Minnesota, Texas and the Virgin Islands; and 34 employees in the National Finance Office at St. Louis, Mo.

Segregated employment of field employees has been terminated.

In 16 Southern States, Farmers Home Administration made 5,937 initial loans to Negroes during the fiscal year 1962. This represents 18 percent of all initial loans made in these States. In the same period, 3,829 subsequent loans were made to Negro borrowers already on the program, making a total of 9,766 loans to Negroes during the year. This is an increase of 39 percent over the comparable figure for the fiscal year 1960.

Full information about Farmers Home Administration services is provided to the general public so that all potentially eligible families will know about the program and how to apply for assistance. Applications are processed [insofar as possible] in the order received. Our objective is to assure that this program serves the maximum number of eligible families in all localities.

FEDERAL EXTENSION SERVICE

Question. To what extent has discrimination and segregation been eliminated from this program in terms of salaries, personnel, office facilities and operating procedures? Are the benefits of this program reaching Negro farmers commensurate with their needs? What provisions are being made to eliminate segregation in the 4–H Club program?

Answer. Federal Extension Service is an integral agency of the U.S. Department of Agriculture, as such practices no discrimination in terms of salaries, personnel, office facilities and operating procedures. As evidence of this fact, since 1961, 20 percent of the change in the number of employees within the Federal Extension Service are Negroes, including one GS–13. Since 1961, three USDA Superior Service Awards have been made to Negro employees. Three outstanding performance ratings involving cash payments have been made to Negro employees. In 1963, 20 percent of all outstanding performance ratings given within FES were given to Negro employees. Among the five FES employees receiving a quality within-grade salary increase to date in accordance with USDA policies, one was a Negro.

FES does not conduct programs directed to specific individuals in behalf of the Department of Agriculture. The Smith-Lever Act originally passed in 1914 creating the Extension Service placed the responsibility for organizing and conducting extension work with each of the State land-grant colleges designated by their State legislature to receive the benefits of the act. Extension work in the field as it relates to educational assistance to individuals is the responsibility of the land-grant college in each of the States and Puerto Rico. The land-grant colleges in turn cooperate with the over 3,000

county governing bodies in the conduct of extension work in each of the counties. In order to provide specific information on progress in the States in eliminating discrimination, the Federal Extension Service conducted a special survey of the States during September 1961. The results of that survey are reported October 7, 1961.

An additional survey was made in June 1963 which indicates the following progress being made by the States.

Based on the information we have, 11 of the 17 States (Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia) have eliminated the word "Negro" in their county agent titles. We have reason to believe the titles persist in Arkansas, Tennessee, North Carolina, Mississippi, Alabama, and Virginia.

West Virginia, Delaware, Oklahoma, Maryland, and Missouri have positive programs to combine office facilities statewide. There has been some progress to date in combining county office facilities in Texas, Kentucky, Virginia, Arkansas, Tennessee, Florida, and Louisiana. We have no information which would indicate that any progress has been made in combining office facilities in North Carolina, Georgia, South Carolina, Mississippi, and Alabama. All other States have combined offices.

Substantial progress has been made in closing the gap dollarwise in the salary for Negro and white extension agents in these 17 States. States moving to equalize salaries are Florida, Alabama, Louisiana, Maryland, Mississippi, North Carolina, Kentucky, Oklahoma, Tennessee, and to a lesser degree South Carolina. Arkansas, Virginia, Missouri, Georgia, West Virginia, Delaware, and Texas have equal salary scales.

The dollar gap referred to is in terms of dollars rather than percentages. Two outstanding examples of this achievement are found in Missouri and Texas. In Missouri for comparable positions, Negro county agents' salaries have increased $1,800 and white salaries $1,200. For home economics work, Negroes' salaries have increased $1,100 and white salaries $800. In Texas for comparable positions, salaries for Negro county agents have increased $2,843 and salaries for white agents $2,316. For Negro home economics workers the increase was $2,850 and the increase for white home economics workers was $2,116. We understand that since our June survey, Texas has further increased the salaries of their Negro agents, thus making them comparable. The Federal Extension Service will continue to encourage and foster salary adjustments in all ways possible.

Recent informal reports indicate that since 1961, Negro agents have been employed in Massachusetts, Rhode Island, and Michigan. The reason we used the word "reports" is because official personnel actions do not provide an identification by race, creed or country of origin. While this report deals primarily with the employment of Negro extension workers, other minority groups—Indian, Spanish Americans, and Puerto Ricans—are employed by California, Arizona, New Mexico, Texas, and Louisiana.

As regards to services commensurate with needs, unfortunately, in many counties the number of farmers and rural residence per extension agent runs from 900 to 2,000. In these counties, few farmers if any, either Negro or white receive the benefits from extension programs commensurate with their needs. In no other educational or similar type service will the number of people assigned to one worker equal the number assigned to extension agents.

National 4–H Club activities, namely, National 4–H Conference held in Washington, D.C., and the National 4–H Club Congress held in Chicago in connection with the International Livestock Exposition, in which the Federal Extension Service plays a part, have no restrictions other than the number of participants from any one State. The National 4–H Conference held in Washington is limited to two boys and two girls per State.

The policy with regard to the operation of these two events is set forth in Extension's memorandum which is attached. Mixed clubs are not uncommon in many States. This is because of the population characteristics of the community being served by the clubs. There are other clubs which are made up either all white or Negro members primarily because of the population characteristics of the community making up the club. The first "Citizenship Laboratory" has been concluded recently at the National 4–H Center in Washington attended by 44 young men and women from 10 States for a 2-week period. Among those participating in this citizenship training laboratory were five young Negro citizens and two young Indian citizens. This is indicative of the progress that has been made and is being made in participation by 4–H members of the many 4–H activities conducted by the center. A recent 6-week short course in human development held at the National 4–H Center attended by approximately 100 professional Extension workers included 5 Negro Extension workers.

The selection of young people to attend national 4–H meetings is the responsibility of the State extension service in each State. The Federal Extension Service of the U.S. Department of Agriculture advises with the States in the development of program materials and methods. Based on the best information available, an open system of competition for selection of 4–H representatives across racial lines is limited in most of the 17 Southern States, yet plans vary from State to State and by counties within States. A Negro girl from Maryland was the first and only member of her race to attend a 4–H conference in Washington since the separate Negro 4–H conference was discontinued at Howard University in 1961. The Federal Extension Service is concerned about open system of competition problems and will use its good offices in an attempt to correct these problems.

As was indicated in an earlier section of this report, the Federal Extension Service does not conduct programs directed to specific individuals in behalf of the Department of Agriculture. However, within the operating relationships that exist, the Federal Extension Service takes every occasion afforded to it to discuss with State extension directors all facets of employment and program practices which may represent types of discrimination.

In all meetings of Southern State extension directors either in groups or in private, opportunities are taken to review with the directors progress which they are making and progress yet to be made in areas such as employment, salary scales, office facilities, secretarial assistance, titles, the availability of literature, clientele served, and training opportunities. State extension directors often find it not within their power to make final decision with regard to the above. One example is that the North Carolina extension service planned to eliminate the word "Negro" in the county agent's title, effective January 1, 1962. When this decision was reviewed with the Negro agents in North Carolina, it was the Negro agents' request that the action not be taken. As a result, implementation of the decision has been deferred until such time as it proves to be mutually satisfactory with the agents involved.

SOIL CONSERVATION SERVICE

Question. Is this program run on a segregated basis similar to the FHA and Extension Service programs, i.e., are there Negro specialists to work with Negro farmers? Are the benefits of this program reaching Negro farmers commensurate with their needs?

Answer. The program of technical assistance to landowners and operators provided by the Soil Conservation Service is not run on a segregated basis. The Soil Conservation Service employs both white and Negro technicians.

It has deployed its 52 Negro technicians as follows: Arkansas 1, California 7, Florida 1, Georgia 2, Indiana 1, Louisiana 4, Massachusetts 1, Michigan 1, Nebraska 1, New Jersey 2, New York 2, North Carolina 1, North Dakota 2, Ohio 1, Oklahoma 1, Pennsylvania 3, South Carolina 1, Tennessee 2, Texas 6, Virginia 2, Beltsville, Md., Washington office 4.

Where both white and Negro technicians are employed, they are equally available to any landowner or operator requesting such assistance.

Since the program of the Soil Conservation Service is completely voluntary and dependent on the initiative of local landowners and operators in requesting technical assistance, it would be impossible to generalize whether or not the benefits of the program were reaching any particular minority group commensurate with their needs. When these needs are made known to the Soil Conservation Service through requests from local landowners and operators for technical assistance, such requests are serviced on an equal basis to the extent that technical staff assistance is available to meet these requests.

On watershed projects, grants for development of fish and wildlife and recreational purposes are conditioned on agreement that such facilities will be open to the general public.

AGRICULTURAL MARKETING SERVICE

School lunch and milk programs

Question. Is there a disparity in the benefits afforded to white and Negro children under the program in States where schools are segregated? If so, what accounts for this disparity? Are the needs of Negro children being adequately served under the existing program?

Answer. The Department has no evidence of disparity in the benefits afforded to white and nonwhite children participating in the school lunch and milk programs.

On the basis of information gathered through the annual analyses and appraisals of State agency operations of these programs and from observations made during State agency and school visits, we know of no school subject to discrimination—in the selection for participation, in the setting of reimbursement rates, in the distribution of commodities, or in the provision of program service and assistance—because of the race, creed, color, or national origin of the children in the schools.

In States where segregated schools are operated, the needier schools generally receive a greater rate of Federal school lunch assistance in both cash and donated foods than the less needy schools. Many nonwhite schools draw attendance from areas of poor economic conditions and, therefore, receive program assistance at a higher rate per lunch served than many white schools. If any disparity, in fact, does exist as between white and nonwhite children, it is because many communities have been unable to equip their schools with food preparation facilities and, therefore, are unable to share in program benefits. However, this is an economic disparity and could be equally applicable to any community of low economic conditions.

In the communities of low economic conditions, participation is restricted by the limited income of many families although, generally, the percentage of free or reduced price lunches is higher in nonwhite schools than in white schools. Since Federal assistance

pays only a portion of the cost of lunches, the balance must be secured from sources within the State, and in cases of extreme economic distress, the free lunch requirements may be so great as to force curtailment of free lunches or closure of the program in the absence of local support. Because of this, the administration sponsored an amendment to the National School Lunch Act last year to provide additional assistance to schools drawing attendance from areas of poor economic conditions. The Congress approved this request but failed to provide funds. The President's budget request for 1964 calls for $2 million to make a start on implementing this section of the revised act.

RURAL AREAS DEVELOPMENT

Question. What steps have been taken or are contemplated to afford expanded opportunities for Negroes under the rural area development program?

The rural areas development program is built around the concept that local leaders in a community, aided by local representatives of Department of Agriculture agencies, other agencies of the Government, as well as State and local organizations and individuals, would work out and implement an economic development program leading to (1) economic efficient family-size farms; (2) income opportunities such as payrolls or the returns from recreation or tourism enterprises; (3) more adequate community facilities; and (4) proper training opportunities.

It is realized that specially disadvantaged groups, such as the Negroes, may need special attention in order that they may have full opportunity to improve their economic position as the revitalization of rural areas takes place. Several steps have been taken to provide this extra attention. These include:

1. The establishment of a subcommittee within the Rural Areas Development Public Advisory Committee to consider the special problems of the disadvantaged groups and make recommendation as to the actions which should be taken. The Rural Areas Development Public Advisory Committee consists of 34 members, 3 of whom are Negroes.

A copy of the recommendations made by this subcommittee and adopted by the entire committee is attached.

2. The creation of a special group of individuals within the small staff of the Office of Rural Areas Development to which is assigned the specific responsibility of assisting the disadvantaged groups to have an opportunity and to implement this opportunity to develop and take advantage of improved economic conditions.

Guided by a task force made up of representatives of various agencies within the Department, the individuals assigned the specific responsibility of working with disadvantaged groups have attacked first the problem of providing adequate information to the leaders of the Negro rural groups in several of the Southern States. This move has been taken because of the realization that:

(a) The basic concepts and objectives of the rural areas development program require special study and attention in order that their full implication may be understood. Opportunity for this careful study is particularly necessary for those groups most in need of the economic stimulation which can result from the application of this approach.

(b) Services available from the various Federal agencies, from State agencies, and from local authorities are often not fully understood. In order for these services to be fitted together into a coordinated and effective economic development program, it is necessary that State and local leaders become thoroughly acquainted with them.

In order to assure full understanding on the part of agency heads of this special effort to supply information, a memorandum was directed by the Assistant Secretary for Rural Development and Conservation to the administrator of each of the agencies having major field activities that related to rural areas development. Most of the agencies in turn transmitted this memorandum to their State leaders.

On the basis of this introduction of the need for special educational and informational activities and following preliminary discussions with State leaders by Dean L. A. Potts of the Office of Rural Areas Development, special informational and educational meetings have been held at Tuskegee, Ala.; Tallahassee, Fla.; Fort Valley, Ga.; and Petersburg, Va. Each of these meetings has been handled on a workshop basis. White and Negro State leaders of the agencies have been present. Also, a small number of district or county workers of both races have been in attendance. There have been present at each of the meetings high level national officials of the agencies such as the Extension Service, the Soil Conservation Service, the Farmers Home Administration and the Farmers Cooperative Service.

In most instances the conduct of the meeting has been in the hands of the State leaders. The form of the meetings has been that of short statements as to services available from the various agencies followed by discussion and answers to questions. Area Redevelopment Administration officials have been present in each of the meetings. Also included have been persons who could explain possible aids from nongovernmental sources.

A copy of the program at Tallahassee, Fla., is attached.

3. A special field office has been established at Little Rock, Ark., to provide contact with Negro leaders throughout the Southeast and to provide a focal point both for their requests for assistance and as an avenue for providing the additional services in order that these people might have adequate opportunity to share in the improved economic conditions.

The head of this office is making contact with Negro groups in Arkansas and throughout the Southeast to give information about possibilities through the rural areas development approach, to stimulate the development of local leadership and to give counsel on finding ways to improve economic conditions. Some groups are progressing toward the point where new payroll opportunities can be developed. In one instance a recreation project is being considered. In other instances, negotiations are underway for the establishment of new industrial and commercial operations.

OFFICE OF THE GENERAL COUNSEL

Question. Is it your Department's view that sufficient authority already exists under the Constitution or laws of the United States to condition the grant of Federal funds upon assurance of nondiscrimination, or is enactment of further Federal law considered necessary?

Answer. This Department administers over 25 programs of assistance involving the grant or loan of Federal funds. The purposes of the assistance, the character of the recipients, the possibilities for discrimination in connection with the application of the funds, and the statutory authority of the Department vary from program to program. We endeavor to see that discrimination on grounds of race, color, religion, or national origin does not occur in the administration of our programs, and we have issued regulations to that effect where appropriate. See e.g., the school lunch program, 7 C.F.R. 210.-17(b); 6 C.F.R. 503.8(a), 28 F.R. 55 (1963); the surplus food program, 6 C.F.R. 503.6(e) (10), 28 F.R. 54 (1963). Executive Order 10925 on equal employment opportunity and Executive Order 11063 on equal opportunity in housing are also applicable to certain of our programs, and we are presently examining the applicability of Executive Order 11114 as it relates to employment in federally financed construction contracts.

We are, together with the rest of the administration, constantly reviewing programs and seeking to improve them. If it is determined that additional conditions relating to nondiscrimination can usefully be imposed and that authority to do so exists, we will impose such conditions. I might point out, in addition, that title VI of the administration's proposed Civil Rights Act of 1963 would grant to the President and the departments and agencies whatever legislative authority might be necessary for eliminating discrimination in Federal assistance programs.

APRIL 23, 1963.

Hon. ANTHONY J. CELEBREZZE,
Secretary of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: It has been reported that in the administration of several programs by your Department:

1. Provisions are not made to assure that persons intended to benefit by the programs are actually aided commensurate with their need and without regard to their race, creed, color, or national origin, and that

2. Provisions are not made to obtain assurances that Federal funds will be administered in a nondiscriminatory manner, and, through a system of compliance reporting and surveillance, to see that these assurances are carried out.

Would you be good enough to advise me at your earliest convenience as to the following questions:

A. Grants to educational institutions: What steps are being taken to assure that colleges and universities receiving research grants and contracts, graduate fellowships and training grants accept students without regard to race, color, creed or national origin for general admission and for the specific aided activity? Are efforts made to acquaint predominantly Negro colleges and universities with the availability of these Federal funds? To what extent do predominantly Negro institutions receive funds under these programs? (Graduate fellowship program, National Defense Education Act, title IV; language and guidance training institutes, National Defense Education Act, title V–B and VI–B; vocational rehabilitation, sec. 4(a)(1); Public Health Service, NIH, etc.).

B. Impacted area program: What action is contemplated to assure that children of Federal military or civilian personnel who reside off Federal properties will be afforded equal educational opportunity on a desegregated basis under the impacted area school aid program?

(C) Library Services Act: In view of the statutory language that libraries receiving Federal funds serve "all residents," what steps have been taken to assure that "all residents" can in fact use the libraries aided by Federal funds for their benefit?

(D) Hill-Burton hospitals: What administrative procedures have been established to enforce the nondiscrimination provision of the Act governing those hospitals not constructed under the "separate-but-equal provision?" With respect to hospitals which are constructed under the "separate-but-equal" provision, will successful resolution of the pending litigation result in an administrative determination to assist only those hospitals which give assurances that their

services will be available to all persons on a nondiscriminatory basis?

(E) Land-grant colleges: Are provisions being made to eliminate segregation in institutions of higher education which receive Federal assistance under the Morrill Land Grant College Act? In view of the Supreme Court's specific rulings that segregation in public higher education is unconstitutional, does the "separate-but-equal" clause of the Morrill Act constitute any impediment to such action?

(F) Vocational education: The Commissioner of Education has said that the regulation requiring a reasonable expectation of employment could not be used as a bar to minority participation in the vocational education program and that the regulation requiring nondiscrimination would be enforced. Where have vocational education schools been desegregated as a result of this clarification of policy and where are schools still segregated? What procedures does your Department use to verify compliance with this nondiscrimination policy?

(G) Health grants: Are provisions made to assure that other grants made by the Public Health Service to State and local facilities are not used to finance or support segregated services?

(H) Employment: Apart from recent departmental regulations prohibiting discrimination in employment under the merit system, what provisions does your Department make to assure nondiscrimination in employment which results from or is assisted by research, training or construction grants?

(I) What provisions are made to assure that persons who receive direct benefits, such as welfare assistance, are not denied these benefits by State or local officials because of their race or as a result of attempts to secure constitutional rights such as the right to vote?

(J) Is it your Department's view that sufficient authority already exists under the Constitution or laws of the United States to condition the grant of Federal funds upon assurance of nondiscrimination or its enactment of further Federal law considered necessary?

I would appreciate your early reply.

With best wishes,

Sincerely,

JACOB K. JAVITS.

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., August 15, 1963.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: Enclosed is a copy of the information you requested for insertion in the transcript of the hearing August 8, before the Subcommittee on Employment and Manpower on juvenile delinquency. I have inserted the original into the record, which has been returned to the committee.

Sincerely,

ANTHONY J. CELEBREZZE,
Secretary.

NONDISCRIMINATION ACTIONS CONCERNING DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE PROGRAMS TAKEN WITHIN THE SCOPE OF EXISTING LEGAL AUTHORITY

1. National Defense Education Act institutes for counseling, guidance, and modern foreign languages: Colleges and universities conducting language institutes under title VI and counseling and guidance institutes under title V of the National Defense Education Act have been required to admit students to the institutes on a nondiscriminatory basis. This became effective beginning in the summer of 1962 and academic year 1962–63.

2. Federal assistance to public schools in impacted areas—the "suitable" ruling. The Department ruled in March 1962 that segregated schools do not provide a suitable education for children who reside on Federal property under Public Law 874 and Public Law 815. These statutes provide that if no local educational agency is able to provide suitable free public education for these children the Commissioner of Education is to make arrangements to provide education for the children.

3. Federal assistance to public schools in impacted areas—court actions: The United States brought, in 1962 and 1963, five lawsuits to require nonracial assignment of federally connected children to public schools which have received grants under Public Law 874 and Public Law 815. To date, two of these suits (involving three school districts) have been dismissed. These decisions have been appealed to the Court of Appeals for the Fifth Circuit. In a third case, involving Prince George County, Va., the Federal district court has overruled a motion to dismiss, holding that the United States can require nonracial assignment of the federally connected children under one of the assurances which school districts give upon receipt of school construction funds under Public Law 815.

4. Library Services Act: This act authorizes payments of Federal funds for the further extension by the States of public library services to rural areas without such services or with inadequate services. A public library is defined in the act as a library "that serves free all residents of a community, district, or region, and receives its financial support in whole or in part from public funds." Under this act beginning with fiscal year 1964 funds, library services will not be federally-supported if the services are not available to all residents on a nondiscriminatory basis.

5. Hospital and medical facilities construction—Hill-Burton Act: The United States has intervened in a Federal court action, contending that the "separate-but-equal" provision of the Hill-Burton hospital construction act is unconstitutional. This case is now pending decision in the Court of Appeals for the Fourth Circuit.

6. Manpower Development and Training Act: The Department has provided in its regulations implementing the Manpower Development and Training Act that there should be no racial discrimination in the training of persons referred under act.

7. Civil defense program: The Office of Education has informed State officials that beginning with contracts in fiscal year 1964 contracts under the civil defense adult education program will require that there be no racial discrimination with regard to the selection of trainees in and conduct of training projects.

8. Educational television: Departmental regulations implementing the Federal assistance program for educational television facilities require that the applicant give assurance that community participation in the activities of the ETV stations shall be without discrimination.

9. Merit system standards for selection of state personnel: In January 1963, together with the Secretaries of Defense and Labor, the Secretary of Health, Education, and Welfare issued amended merit system standards, with respect to personnel engaged in administration of certain federally aided programs, which require nondiscrimination on account of race or other nonmerit factors, as well as political affiliation or religion. The merit system standards apply to federally assisted programs in public welfare, health, employment security, and civil defense.

10. Juvenile delinquency program. Training project grants under the Juvenile Delinquency and Youth Offenses Control Act are made only to educational institutions which do not discriminate on the basis of race, color, creed, or national origin.

11. Public assistance. States are required to provide public assistance to the needy aged, blind, dependent children, and the disabled, without discrimination in determining eligibility or the amount of assistance.

Mr. JAVITS. This matter of the use of Federal funds to support discriminatory activities is one which deserves specific attention from President Johnson in view especially of the number one priority he has given civil rights, wholly apart from the civil rights bill which deals with this only in part. Most of the Federal agencies recognize a constitutional power or duty at this time, even before passage of the bill, to deny Federal funds to segregated State programs, but all of them do not, most particularly the Department of Health, Education, and Welfare.

The President should see to it that the executive branch is consistent in applying what should be, and undoubtedly is, Presidential policy. A Presidential statement to this effect would clarify this point, as well as infuse all Departments with enthusiasm in carrying out the policy.

I believe that if a discharge petition is signed in the House and if President Johnson will take Executive action with respect to these leakages in the Federal establishment, which are supporting State segregated programs with Federal help, we shall begin to make real progress on civil rights and have an opportunity to head off the impending demonstrations—in which people, from sheer frustration, because we have failed to do anything for so many months, may feel they have to restort to the streets again because they cannot get justice from the Congress.

TAXES AND CIVIL RIGHTS

Mr. ROBERTSON. Mr. President, in keeping with its left-wing policies of recent years, the Washington Post devoted its two leading editorials of today to a bitter and unjustified attack upon Virginia and Virginians, stemming from the fact that a majority of Virginians still place allegiance to the Constitution above political expediency.

The editorial concerning the Virginia Supreme Court charged that honorable body as furnishing a capstone for legislative folly in regard to the Prince Edward County schools. There was not one word in the majority opinion of the court in that case that indicated the majority approval or disapproval of the action of the Prince Edward County authorities in closing its public schools. All that the majority held in that case was that the provision in the 1901 Virginia constitution which required the General Assembly to establish an efficient system of public schools meant just what the previous courts had on several occasions held, namely, it was to be a system but not a compulsory plan for operation. The General Assembly of Virginia never has in the history of our State had the

power to compel any political subdivision, and in Virginia all incorporated cities are independent subdivisions, to levy taxes for any purpose. And when the General Assembly of Virginia first passed a law to provide for a system of public schools, it did not appropriate one red penny for their support. The primary responsibility always has been upon the localities to support their local schools of which they were in control. Later, a provision was made for State aid to public education and that carried with it certain controls, such as attendance records, teacher qualifications, and so forth.

In its lead editorial entitled "The Last Alternative," the Post makes these statements:

> The blockade of the civil rights bill in the Rules Committee and the obstruction of the tax cut in the Senate Finance Committee present the Congress and the country with a very serious threat to orderly government.
>
> Something like a national consensus has gathered behind these measures. The support for the tax bill, in the most recent polls has been put at 66 percent of the people. The support for a public accommodation law also has been very high in both parties. Both measures probably would pass both House and Senate right now if brought to a vote.
>
> That vote is being prevented by Senator HARRY FLOOD BYRD, chairman of the Senate Finance Committee, and by Representative HOWARD SMITH, chairman of the House Rules Committee.

Those statements constitute an unjustified attack upon two of the ablest and finest Members of the Congress whose devotion to the fundamental principles of Jeffersonian democracy have frequently roused the ire of the Washington Post.

The essence of that attack upon BYRD and SMITH is that in the opinion of the Washington Post editor a majority favors prompt action on a tax bill and a civil rights bill and that the purpose of these two legislators to give the minority an opportunity to be heard constitutes "a very serious threat to orderly government." Incidentally, that type of orderly government is of the essence of which a dictatorship is made and is, of course, repugnant to the principles of Jeffersonian democracy.

In condemning Senator BYRD for conducting hearings for just 2 months on a tax bill which is calculated to affect the tax liability of more taxpayers than ever in the history of our Nation, the editorial in question completely ignores the fact that the tax experts of the Treasury Department considered proposals to revise the internal revenue laws for more than a year and after those well-considered recommendations were submitted to the Ways and Means Committee, it considered them for 8 months, lacking 6 days, and in making its report turned down most of the so-called tax reforms calculated to cost the taxpayers an additional $3 billion which the Treasury Department had recommended.

During my service in the House, I was privileged to help frame 12 tax bills between 1937 and 1946 inclusive and never during that entire period did the Ways and Means Committee deny taxpayers the privilege of being heard or report out a major tax bill in less than 60 days. So, the first fundamental principle involved in the attack on Senator BYRD is that he is following what was supposed to be a well established democratic principle, namely, in all legislative matters the minority is entitled to be heard. That statement, of course, presupposes that the Washington Post is right in saying that 66 percent of the people are for the pending tax bill. I challenge the accuracy of that statement.

In the first place, I doubt if 1 percent of the lawyers of the Nation know all of the technicalities involved in the bill and, of course, no layman does. In the second place, every worker who has felt the bite of our extraordinarily heavy high taxes favors lightening of that burden but there is a very considerable number of thoughtful persons who feel that a tax cut involving less than $100 for the average taxpayer would be a poor exchange for inflationary pressures that could easily add $200 to his cost of living. Consequently, many taxpayers who favor a tax cut have asked that it be accompanied by a cut in spending. And our President—the best trained Chief Executive in Federal procedure in the Nation's history—is acutely conscious of that fact in urging all departments and bureau chiefs to critically examine their basic needs and thus permit him to present to the Congress next year a budget that would show a definite trend in the direction of economy in Federal spending.

There is every reason to believe that the Senate Finance Committee will be able to report to the Senate early next month a tax bill. In fact, the distinguished minority leader has predicted that early next year the Senate will pass a tax bill and it will be made retroactive to January 1, 1964.

The unjustified attack upon Representative HOWARD SMITH, chairman of the House Rules Committee, who wants to give opponents of the civil rights bill an opportunity to be heard, is on a par with the attack upon the chairman of the Senate Finance Committee. The editorial statement that a majority of the country approves the public accommodations provision of the House civil rights bill is not well founded. That bill which by force of law would seek to deprive a man of private property without just compensation is so clearly unconstitutional and so highly repugnant to the people of every section of the Nation that the Senate leadership has been unwilling to bring it to a vote in the Senate. Thinking that quick action could be gotten on that bill if pulled out of the omnibus bill and jurisdiction taken away from the Senate Committee on the Judiciary, title II of the omnibus bill was framed as a separate bill and referred to the Senate Committee on Commerce on the specious claim that anyone who operated a hot dog stand or a small motel was engaged in interstate commerce and that the Constitution gave the Congress the power to regulate interstate commerce.

More than a month ago, after limited hearings, the Senate Commerce Committee voted to report that bill but the report has not yet been filed. The answer, of course, to that delay in the Senate action is that Senate leadership knew that the bill in question involved a bitter disagreement among the Members of the Senate and there was no prospect whatever of sufficient support for the bill on the floor of the Senate to enable the proponents of the measure to impose a gag rule and shut off debate. Therefore, the decision was made to await House action. Without giving opponents of the measure a proper opportunity to be heard, a subcommittee of the House Committee on the Judiciary reported a bill. That report was so obnoxious to the House membership that it was sent back to the subcommittee with the request that it be revised and modified. The subcommittee then, without additional hearings, submitted a revision which was hailed by some members of the liberal press as being a weak substitute for the original bill.

However, the minority report on that substitute, which is H.R. 7152, clearly indicates that it is no weak substitute. On the contrary, it contains at least 15 major changes in existing law, many of which, including the fair employment practices section, are highly objectionable to every section of the Nation. In order that the Members of the Senate may get a clearer understanding of how unjust the Washington Post was in attacking Judge SMITH for insisting on adequate hearings on H.R. 7152, I ask unanimous consent to have printed in the RECORD at this point excerpts from the minority views, which so clearly show that the pending bill is not a moderate bill and that it has not been watered down.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

> The reported bill is not a moderate bill and it has not been watered down. It constitutes the greatest grasp for executive power conceived in the 20th century. We hereinafter analyze in detail each title of the reported bill and compare it to the subcommittee proposal.
>
> The majority report states: "The bill, as amended, is designed primarily to protect, and provide more effective means to enforce the civil rights of persons within the jurisdiction of the United States." In truth and in fact, the bill, under the cloak of protecting the civil rights of certain minorities, will destroy civil rights of all citizens of the United States who fall within its scope. Congress would abnegate its duty to consider and protect all of the Nation's citizens.
>
> If the proposed legislation is enacted, the President of the United States and his appointees—particularly the Attorney General—would be granted the power to destroy the following civil rights of those who fall within the scope of the various titles of this bill:
>
> 1. The right of freedom of speech and freedom of the press concerning "discrimination or segregation of any kind * * * at any establishment or place," as delineated in the bill.
>
> 2. The right of homeowners to rent, lease, or sell their homes as free individuals.

3. The right of realtors and developers of residential property to act as free agents.

4. The right of banks, savings and loan associations, and other financial institutions to make loans and extend credits in accordance with their best judgment.

5. The right of employers "to hire or discharge any individual" and to determine "his compensation, terms, conditions, or privileges of employment."

6. The seniority rights of employees in corporate and other employment.

7. The seniority rights of all persons under the Federal civil service.

8. The seniority rights of labor union members within their locals and in their apprenticeship programs.

9. The right of labor unions to chose their members, to determine the rights accorded to their members, and to determine the relationship of their members to each other.

10. The right of farmers to freely choose their tenants and employees.

11. The right of farm organizations to choose their members, to determine the rights accorded to their members, and the relationship of their members to each other.

12. The right of boards of trustees of public and private schools and colleges to determine the handling of students, curriculums and teaching staffs.

13. The right of owners of inns, hotels, motels, restaurants, cafeterias, lunch rooms, soda fountains, motion picture houses, theaters, concert halls, sports arenas, stadiums and other places of entertainment to freely carry on their businesses in the service of their customers.

14. The right of the States to determine the qualifications of voters in all Federal elections and many State elections.

15. The right of litigants to receive even-handed justice in the Federal courts; this legislation places in civil rights litigants (particularly the Attorney General) in a special category with preferences and advantages not afforded parties in any other form of litigation.

In brief, the proposed bill now reported to the House by the committee does the following:

1. Amends every Federal statute setting up or appropriating money for any program or activity involving Federal financing by a mandatory requirement that every Federal department and agency "shall take action to effectuate" the purposes of the act (sec. 602). This makes available to President Kennedy and Attorney General Kennedy approximately $100 billion per year (being the amount of the Federal budget) to be used to the extent deemed necessary for political and sociological manipulation in the field of civil rights. Persons with less than 25 employees are not excepted from this title of the bill.

2. The various definitions contained in the bill, particularly titles II and VII, would extend "interstate commerce" so as to substantially encompass all intrastate commerce and thus bring under Federal control all phases of commerce, whether interstate or intrastate. Actions of any persons under color of local custom or usage, or which are encouraged, fostered, or required by any State or political subdivision thereof is classified as "State action" and subject to Federal control. This authority, if granted, would extend Federal control into the business and the home of almost every individual in the United States (secs. 201 and 202).

3. The reported bill creates an Equal Employment Opportunity Commission to police and control the hiring, discharge and terms of compensation, conditions, and privileges of employment of all persons employed by any business or industry "affecting commerce" and which has 25 or more employees (title VII). The administration's original bill was much more limited, in that it applied only to employers involved in programs and activities financially assisted by the Federal Government; $2,500,000 for the first year and $10 million per year thereafter is authorized to support the Commission. The power of this Commission, if invoked, would destroy seniority in corporate employment and in civil service. Precedents destroying seniority have already been set in limited fields by Executive orders and administrative regulations. The exception of employers who have less than 25 employees (the exception is fixed at 100 employees for the first year and 50 employees for the second year) does not apply to those participating in any program or activity receiving Federal financial assistance by way of grant, contract, or loan under title VI.

4. The reported bill draws under Federal control inns, hotels, motels and other lodging houses, restaurants, cafeterias, lunchrooms, soda fountains, gasoline stations, motion picture houses, concert halls, theaters, sports arenas, stadiums, and other places of exhibition and entertainment. It destroys the right of owners of such establishments to serve whomsoever they please. If this action is proper, it should logically apply across the board. Hence the exception of lodging establishments actually occupied by the proprietor which contain not more than five rooms for rent can be included only for political purposes. This constitutes one form of discrimination which can only be for political reasons.

5. A combination of (a) conferring new powers upon the U.S. Commissioner of Education (title IV), (b) requiring action by every agency and department of the Federal Government administering activities or programs involving Federal financial assistance (title VI), and (c) granting unlimited authority to the President to take whatever action he deems to be appropriate concerning employment in such programs (sec. 711 (b)), results in the following: Public and private schools and colleges benefiting from any Federal financial program are placed under Federal control in the handling of pupils, the selection of faculty members and also the choice of textbooks, insofar as they relate to race, color, or national origin and desegregation or discrimination in connection therewith.

6. The bill is designed to divest from State authorities and invest in Federal authorities the determination of the qualification of voters in all Federal elections and many State elections (title I). It has been framed to include all State and local elections where any Federal election is held as a part thereof.

7. The power of the Attorney General to file suits in the name of or in behalf of the United States is broadened so that, if this bill is enacted, such suits could be filed by him affecting voting, "places of public accommodation," all public facilities, education, and, apparently, all programs and activities assisted by Federal financing.

8. The orderly and usual procedures in litigation in Federal courts are varied to place civil rights actions in a special preferred category (sec. 101(d), sec. 203, sec. 707 and title IX).

The most flagrant and dangerous departure from accepted rules of civil procedure is embodied in title IX. Under existing law, certain civil or criminal actions brought in the State courts may be removed to the Federal court in the district and division in which the action is pending. The law of removal provides that immediately upon the filing of a removal petition by the defendant and the posting of a minimum bond, the State court is divested of jurisdiction to proceed. No process of any kind can issue by the State court, no depositions can be taken, hearings scheduled or in progress must be suspended and the State court is powerless to maintain the status quo. Title 28, section 1447(d) presently provides that an order of remand to the State court is "not reviewable on appeal or otherwise." This enables the State court upon remand by the Federal district court to promptly resume jurisdiction and proceed with the disposition of the cause and the enforcement of its orders. Any Federal questions are reviewable by the Federal courts through regular channels.

Title IX would add to section 1447(d) the words, "except that an order remanding a case to the State court from which it was removed pursuant to section 1443 of this title shall be reviewable by appeal or otherwise." Thus the jurisdiction of the State courts (in these cases alone) could be destroyed for months by the simple filing of a petition to remove, followed by an adverse order of the U.S. district court, followed in turn by an adverse judgment of the U.S. court of appeals upon the appeal. This seemingly simple amendment would permit the whim of the civil rights claimants (and none other) to destroy the efficacy of State courts. For all of the years past this right has been reserved to the U.S. district courts, on the motion to remand, not the litigant.

It should be noted that the administration bill contained references to racial imbalance in connection with desegregation in public education. The subcommittee proposal and the reported bill have omitted this reference. It appears that this action is a matter of public relations or semantics, devised to prevent the people of the United States from recognizing the bill's true intent and purpose. As pointed out in this report, with reference to the matter of Equal Employment Opportunities Commission, it appears that the administration intends to rely upon its own construction of "discrimination" as including the lack of racial balance, as distinguished from a statutory reference to racial imbalance. A study of the 1961 Report of the U.S. Commission on Civil Rights and recent executive orders and regulations proposed by the Secretary of the U.S. Department of Labor, demonstrate that the omission of this reference is upon the theory the same is not necessary to carry out the intention of the administration. However that may be, it will be noted that the word "discrimination" is nowhere defined in the bill.

The destruction of individual liberty and freedom of choice resulting from the almost limitless extension of Federal governmental control over individuals and business, rather than being in support of the Bill of Rights, is directly contrary to the spirit and intent thereof.

Judge Learned Hand, in 1958, said in his Oliver Wendell Holmes lectures: "The Bill of Rights is concerned only with the protection of the individual against the impact of Federal and State law."

Dean Roscoe Pound, dean emeritus of Harvard University School of Law, said in 1957 in his "The Development of Constitutional Guarantee of Liberty": "Analytically the bills of rights are bills of liberties. They define circumstances and situations and occasions in which politically organized society will keep its hands off and permit free, spontaneous, individual activity; they guarantee that the agents and agencies of politically organized society will not do certain things and will not do certain other things otherwise than in certain ways."

In determining whether this bill should be adopted, it must be remembered that when legislation is enacted designed to benefit one

segment or class of a society, the usual result is the destruction of coexisting rights of the remainder of that society. One freedom is destroyed by governmental action to enforce another freedom. The governmental restraint of one individual at the behest of another implies necessarily the restriction of the civil liberties and the destruction of civil rights of the one for the benefit of the other. This legislation, then, brings to mind the wise statement of George Washington: "Government is not reason, it is not eloquence—it is force! Like fire, it is a dangerous servant and a fearful master."

EFFECT OF THE LEGISLATION

The depth, the revolutionary meaning of this act is almost beyond description. It cannot be circumscribed, it cannot be said that it goes this far and no farther. The language written into the bill is not of that sort. It has open end provisions that give it whatever depth and intensity one desires to read into it. In the language of the bill, "The President is authorized to take such action as may be appropriate to prevent" and "Each Federal department and agency * * * shall take action to effectuate." This vests, of course, almost unlimited authority by the President and his appointees to do whatever they desire. The extent to which the administration intends to accord preferential treatment to minorities in order to attain racial balance is illustrated by the standards proposed by the Secretary of Labor on October 25, 1963, pursuant to title 29, United States Code, paragraph 22, concerning union apprenticeship programs. These standards require, "The selection of apprentices on the basis of qualifications alone * * * unless the selections otherwise made would themselves demonstrate that there is equality of opportunity," and "the taking of whatever steps are necessary, in acting upon application lists developed prior to this time, to remove the effects of previous practices under which discriminatory patterns of employment may have resulted." This constitutes discrimination in reverse.

It is, in the most literal sense, revolutionary, destructive of the very essence of life as it has been lived in this country since the adoption of our Constitution. Because this is true, the minority members of this committee believe it wise to demonstrate, by example, the effects of this legislation on people; to demonstrate, by example, the meaning of lost liberty; to demonstrate by example, the power in this bill to completely dominate the lives of even the least of us.

To this end, there follow eight examples of the effect of the bill upon persons covered by the act. There might be offered innumerable examples, because this bill encompasses directly or indirectly nearly every adult American.

FARMERS

For more than 30 years, the American farmer has been under Federal regulation in many programs involving financial aid. Whether these regulations have served him well or poorly is a matter of divided opinion. In any event, regulation per se is nothing new to the farmer. But this is a different kind of control. It is not related to the purposes for which the aid was rendered.

If this bill is enacted the farmer (regardless of the number of his employees) would be required to hire people of all races and religions, without preference for any race or any religion. If experience has taught the farmer a member of one race is less reliable than a member of another race, does less for his pay, he will no longer be allowed to hire those he prefers for this reason. If he is of the belief that members of one race are more prone to accident, less trustworthy, more neglectful of duties, are, in short, less desirable employees than those of another race, he will no longer be allowed to exercise his independent judgment. Under the power conferred by this bill, he must hire according to race, he must racially balance those who work for him or be in violation of Federal law.

The penalty for such violations can mean being excluded from every direct and indirect Federal benefit. It can mean the calling of his bank loans, being shut off by blacklisting from the agencies of Government that recruit labor, the right to purchase supplies from farmer-associated businesses which may, themselves, be dependent in one degree or another on Federal financial assistance. In short, he will become a pariah, an outcast. He will employ those people a Federal inspector says he shall employ or his farm will be deprived of every vestige of Federal "aid," without which no farm, today, can successfully operate.

The agencies required to police farmers, under the directions of the Attorney General and the Commission on Civil Rights, are all Banks for Cooperatives and Federal Land Banks, Federal Intermediate Credit Banks, Production Credit Associations, the Agricultural Stabilization and Conservation Service, the Commodity Credit Corporation, the Federal Crop Insurance Corporation, the Agricultural Marketing Service, the Farmers' Home Administration, the Soil Conservation Service, and all other agencies or departments having to do with Federal financial assistance in the field of agriculture.

HOMEOWNERS

The right of homeowners in the United States to freely build, occupy, rent, lease and sell their homes will be destroyed by this bill. Title VI will be construed by the administration to cover "land to be developed for residential use" and "the sale, leasing, rental, or other disposition of residential property and related facilities * * * or the occupancy thereof," whenever there is involved FHA or GI financing, financing by a national bank or any bank or savings and loan association covered by the FDIC or any other type of Federal financial support.

Federal personnel (not the homeowner or his wife) will make decisions as to the personnel building the home, the renting of a single room or several rooms, the rental, leasing or sale of the home, where race, color or national origin is concerned. They will also dictate the actions of realtors, developers, attorneys and the lending institutions.

What of the right of property? What if the person seeking to rent a room which has been advertised for rent, or to lease the home for a limited period, or to buy the home, is not, in the eyes of the homeowner, trustworthy or desirable for a number of reasons? If race, color or national origin is involved, the Federal inspector (not the homeowner or his wife) makes the decision. The alternative—foreclosure, blacklisting, cancellation of any Federal benefits under any program.

Already, without any legislative authority whatsoever, the President has issued Executive Order 11063 dated November 20, 1962, purporting to pull all of the above into effect concerning an estimated 30 percent of the home building in the United States. This has been done in spite of the fact that Congress, on six different occasions, defeated amendments to then pending housing acts granting the President authority to so act. If this bill is passed, it will validate such order and give the President carte blanche to subject every such homeowner to Federal control. The above quotations are from said Executive order.

BANKS AND BANKERS

A dispassionate study of the power granted in this bill will convince anyone no bank could operate under its provisions without undue hardship.

If a bank under this bill were to deny employment, a loan, a line of credit or a sales contract to a person, it would have to prove its decision was based on facts that did not in any way, discriminate against the rejected applicant because of his race. Among the penalties that could be imposed on the bank would be the cancellation of the bank's Federal Deposit Insurance, its right to handle GI, FHA and other Government-insured money. The power granted in the bill goes further. If a depositor, a small businessman, for instance, has been held in violation of the Federal civil rights law, under the provisions of this bill the bank can be ordered to cease doing business with the culprit. This applies to depositors as well as borrowers.

If the bank extends a line of credit to finance construction of an apartment house and a tenant should be denied the privilege of leasing one of the apartments because his credit or character, in the opinion of the management, would make him an undesirable tenant, yet, if the Federal inspector decided this amounted to discrimination, the FHA or the FNMA guarantee could be canceled.

Among the agencies required to police banks and bankers, under the direction of the Attorney General and the Commission on Civil Rights, are all national banks, the Federal Deposit Insurance Corporation, the Federal Reserve System.

Among the institutions and agencies which would be required to conform to the act and police business and professional establishments are all banks, savings and loan association and other financial institutions served by the FDIC or the Federal Reserve System, the agencies administering GI, FHA, FNMA, SBA, and all other loans and programs involving Federal financial assistance. Withdrawal of protection or credit, foreclosure of loans, blacklisting and similar sanctions may be expected.

LABOR UNIONS AND MEMBERS

To millions of working men and women, their union membership is the most valuable asset they own. It is designed to insure job security and a rate of pay higher than they otherwise would receive. As none knows better than the union member, himself, these two benefits are dependent upon the system of seniority the unions have followed since their inception. Seniority is the base upon which unionism is founded. Without its system of seniority, a union would lose one of its greatest values to its members.

The provisions of this act grant the power to destroy union seniority. The action of the Secretary of Labor already mentioned is merely the beginning, if this legislation is adopted. With the full statutory powers granted by this bill, the extent of actions which would be taken to destroy the seniority system is unknown and unknowable.

To disturb this traditional practice is to destroy a vital part of unionism. Under the power granted in this bill, if a carpenter's hiring hall, say, had 20 men awaiting call, the first 10 in seniority being white carpenters, the union could be forced to pass them over in favor of carpenters beneath them in seniority, but of the stipulated race. And if the union roster did not contain the names of the carpenters of the race needed to "racially balance" the job, the union agent must, then, go into the street and recruit members of the stipulated race in sufficient number to comply with Federal orders, else his local would be in violation of Federal law.

Neither competence nor experience is the key for employment under this bill. Race is the principal, first, criterion.

Penalty for violation of the provisions of this bill has no defined limits; the President "is authorized to take such action as may be

appropriate." There are specific penalties which, in addition to others, may be applied. Unions held in violation of this bill may lose their rights and benefits under such labor statutes as the National Labor Relations Act, the Railway Labor Act, the Davis-Bacon Act, the Walsh-Healey Act, and other legislation beneficial to labor. Representation rights and exclusive bargaining privileges could be canceled. Unions could be denied access to NLRB or National Mediation Board procedures.

Moreover, this bill affects unions from the other end, that of the employer, since the law applies to the employer, as well. It extends to railroads, motor carriers, airlines, steamship companies, handling mail or other government shipments, enterprises receiving loans from the Small Business Administration, construction contractors financed through FHA or GI home-loan insurance, the rural electrification program and practically all others.

Consequently, however, meticulous a local union may be as pertains to its racial practices, if a contractor, for example, has been adjudged guilty of discrimination and must, therefore, hire 100 or 1,000 workers of a given race—in preference to all others—before his job becomes "racially balanced," it means the local which supplies his labor can send him only union members of that particular race—and the members of other races will sit until that number has been employed. If the union does not have among its membership the number required, it must recruit membership of that race to supply the contractor's needs. This is a specific instance of the Federal Government interfering in the contract rights of unions and employers.

By threat of contract cancellation and blacklisting, contractors could be forced to actively recruit Negro employees and upgrade them into skilled classifications, although this would displace union mechanics in the skilled trades. Where skilled Negro tradesmen were not available from union sources, the agency could direct that they be recruited from non-union sources, notwithstanding existing union shop of exclusive referral agreements.

INDIVIDUALS AT WORK

Union members are not the only working people affected by this bill. All employees of private industry and under Federal civil srvice will be affected. Assume that an individual, not a union member, is employed by a corporation which has more than 25 people on its payroll or that a smaller corporation which has a SBA, FHA, or other federally supported loan or contract; that his firm, in his job classification, historically has employed people only of his particular race, whatever that race may be, and that a demand is made that his firm abide by a Federal regulation requiring racial balance. To balance his department, racially, somebody has to go. Who?

Assume two women of separate races apply to that firm for the position of stenographer; further assume that the employer prefers one above the other, for some indefinable reason, whether personality, superior alertness, intelligence, work history, general neatness, or perhaps the employer has learned good things about the character of one and derogatory things about the character of the other. If his firm is not "racially balanced," under such regulation he has no choice, he must employ the person of that race which, by ratio, is next up, even though he is certain in his own mind the other woman would be a superior employee.

That such mandatory provisions of law approach the ludicrous should be apparent. That this is, in fact, a not too subtle system of racism in reverse cannot be successfully denied.

HOTELS, RESTAURANTS, AND THEATERS

Places of public accommodation do not cater by custom to one race in preference to another solely from proprietary preference. People are in business to make money and in certain areas they have learned, or have reason to believe, it is more profitable to serve one race or another. In other areas, proprietors have learned it is more profitable to serve all races indiscriminately. A host follows the customs of his community, else he suffers economically.

To force him to abandon his practice, to run counter to prevailing opinion, is to injure his business and his property. He does not, and he cannot, set custom. He follows it or suffers.

Under the provisions of this bill, the proprietor's right to decide whom he will or will not serve, as that decision pertains to race, color, religion, or national origin, is stripped from him. Moreover, if a customer proves objectionable, the owner can have him removed from his premises only at peril of being in violation of the race laws. For, under this act, the proprietor, if challenged, must prove he did not remove the objectionable customer because of his race, but because of some other reason. Which is a perversion of the basic principles of our law.

But a proprietor's trials as they pertain to customers are only the beginning of the problems which will be engendered if this bill becomes effective. His problems with employment of personnel may well go far beyond anything heretofore confronting the businessman.

How can a restaurant operate successfully if its owner is not given freedom of choice in selection of waiters, chefs and cashiers? Although a restaurant serves, and advertises as its specialty, genuine Southern dishes, under this bill the owner could not hire only Negro chefs. He could not, even though the success of his business depended on such chefs; even though his patronage was built upon the belief the food was being prepared by Negro chefs whose culinary art with "Southern" specialties is world renowned. He could be forced to hire in a "racially balanced" manner—so long as the potential employee had a modicum of skill—else be in violation of law. And a modicum of skill, it need not be added, is insufficient to attract clientele to a restaurant whose reputation is built upon the culinary art of Southern Negro chefs. The same conditions would prevail in the case of restaurants specializing in French, Italian, German or other national cuisines.

THE PRESS

Race, as the first criterion of employment, applies to newspapers, periodicals, radio and television under this bill, as well as to other elements of our commerce. If a job applicant can "write" and there is an opening and if he is of the race called for to balance the makeup of the staff, that person must be employed in preference to someone of another race.

What such employment would do to the character of the paper or program is quite apparent to those who earn their living in the world of mass media. Yet that is the sense of this bill. The bill grants the power to make it mandatory that the staff of a newspaper be thoroughly integrated, racially and religiously, else the owners are in violation of Federal law.

If the owners of a television station prefer an announcer of a certain race to enunciate its commercials, it is denied that choice. Announcers must be racially balanced across the board as well as commentators, actors, and supporting staff despite the fact the use of members of a certain race may, demonstrably, cause a loss of business to both station and sponsor.

Even so, this destruction of the right of free choice, serious as it is, is not the most fearsome feature of this bill as it applies to the "press."

Title II, section 203, says: "No person shall * * * incite or aid or abet any person to do any of the foregoing"; i.e., deny or attempt to deny any person any right or privilege described in the title.

Read that language as you will, in simple terms it means that no editor would dare editorialize in opposition to the provisions of the bill if it becomes law.

If a citizen takes a position in direct opposition to some provision of this bill and a newspaper writes an editorial in support of that position, indeed, urges others to take similar stands, is that newspaper inciting, or aiding, or abetting? It would seem so.

The fact of the matter is this: If a person stands in a public square or before a civic club and advocates that segregation is best for either race—and his stand was supported by a newspaper editorial—both would be in violation of Federal law and both would be subject to fine and imprisonment. Under such a circumstance, what becomes of the right of free speech? Or freedom of the press?

TEACHERS AND SCHOOLS

The proposed legislation ultimately would result in total Federal control of the education processes in the United States.

Under provisions of this bill, the President and his appointees in Federal agencies would have the right to dictate pupil assignments in local schools, approve the faculty, censor textbooks and change study courses. The alternative would be the loss of all Federal aid. The child who is given lunch through Federal grant must also study a federally approved curriculum. Under this bill, if the President or his appointees find a social studies textbook to differ from their beliefs in matters of race, Federal aid could be withdrawn from the school making use of the textbook. This applies to every school, public or private, benefiting from programs involving Federal aid.

Teachers and professors in such schools and colleges could not present conclusions honestly arrived at, unless their conclusions conform with the Federal racial policies then current.

The power contained in this bill to cut off Federal funds is not merely a negative power. Those who have already accepted Federal funds can be compelled, in various instances, by foreclosure, injunction and blacklisting, to meet the current Federal standards.

The bill gives the Attorney General the power to institute school integration suits, not only against individuals but against States and local governments as well. This action gives to one man a power which has never before existed; previously the Attorney General could only intervene in private suits. This new power, needless to add, can affect the rights of local school boards where no parents or pupils have filed any suits. Under this power the defendants could be deprived of the right of trial by jury. In any contempt actions arising out of U.S. suits, local school officials would be tried by the very judge whose order was allegedly disobeyed.

PORK BARREL

Mr. YOUNG of Ohio. Mr. President, recently, and at other times in the past, I have been happy to support needed public works programs.

Many citizens, upon reading the attack in Life magazine on Federal public works projects—citizens who, by the way, are not fully, adequately, or properly informed—write their Senators voicing indignation over the millions of dollars spent for projects in Oklahoma and in other Western States, practically all of which were authorized during the Eisenhower *administration*. They write denouncing recent legislation which was passed by an overwhelming vote in the Senate, for necessary public works projects.

There is no cause for any attack on many of these projects in Life magazine or anywhere else. Life magazine itself is the recipient of a huge subsidy from our Government, in respect to mail costs, yet it denounces some of these projects as "pork barrel" expenditures. It seems to me that this magazine is not a very good source for complaint.

The historic fact is that President George Washington could be called father of the "pork barrel" in addition to Father of His Country. The first public works bill signed by President Washington provided an appropriation for a Federal road from the East to Ohio, Indiana, and Illinois, "to open up the western country." The Federal surveys in President Washington's administration resulted in land grants, opening up the then "western country"—Kentucky, Ohio, and Indiana—to migration from Connecticut, Massachusetts, and other Eastern States. Federal surveys and land grants later made possible railroads to the west coast. All this contributed greatly to the wealth of our Nation, as the West became an economically productive area.

Regarding the comment in Life magazine on the Tennessee Valley Authority, the fact is that the TVA has increased Federal revenues.

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). The time of the Senator from Ohio has expired.

Mr. YOUNG of Ohio. Mr. President, I ask unanimous consent that I may proceed for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YOUNG of Ohio. Mr. President, increased income taxes due to the TVA and the vast electric power generated have resulted in such increased employment that the increased income taxes paid in that area far exceed all expenditures of the Federal Government for appropriations for the TVA. In fact, each year people living in the Tennessee Valley pay in increased Federal income taxes more than the total appropriations for the TVA from 1935 to 1964—29 years.

It is a happy personal recollection that, as Representative at Large representing the State of Ohio during 8 years, I supported every appropriation for the Tennessee Valley Authority.

Mr. President, it is obvious to anyone who has made research on the subject that the Life magazine article was poorly researched, unjustified, and unwarranted.

STOCK OPTION FOR GAF EMPLOYEES PROPOSED

Mr. KEATING. Mr. President, the Government's continued ownership and operation of the huge General Aniline & Film Corp. is causing much concern. One of the most important problems is how the Department of Justice will dispose of its World War II vested stock in this giant enterprise.

This is an extremely important subject, since General Aniline & Film Corp. is a vital part of the economy of the communities in which it now operates. Certainly it cannot be disposed of in a manner which fails to consider the welfare of its employees and the related interests in the area in which it is now located. Every step must be taken to make certain that this important company will not be dismembered or relocated after it is sold.

The Department of Justice announced some time ago that an advisory committee would be appointed to recommend the conditions of the company's sale to private enterprise. However, the Government's timetable has not been met and a consent decree allowing the sale has yet to be approved. While the Department of Justice has made it clear that it favors a sale to private enterprise, and has backed the legislation which I proposed in that regard, the confusion and delay in dealing with this problem has raised many uncertainties and is most unfortunate.

Some time ago, following a suggestion by Mr. William Tyne, of Binghamton, a trustee of the local 306 of the International Chemical Workers Union, I asked the Department to consider a proposal under which employees of the company would be given a preference in the purchase of a portion of the shares of the company. This would serve to diversify ownership in the company, especially on a local community basis, and to impress upon any new management the welfare of the company's long-time employees.

I am very pleased to report that the Department is giving this proposal serious consideration. While the details cannot be determined until after a consent decree is approved for the sale of the company, it is my information that this proposal is already under study by the Department and company officials.

Personally, I cannot think of a better plan for keeping General Aniline & Film Corp. in operation at its present locations and discouraging moves such as the present management's proposed transfer of the executive office of some of General Aniline & Film Corp.'s divisions out of the triple cities area.

This is a typical example of how individuals in our free Government and free society often have an important impact on what is done by Government. I commend Mr. Tyne for his excellent suggestion, and I intend to continue to do everything possible to make certain that General Aniline & Film Corp.'s loyal employees get a fair deal in any future negotiations involving the future ownership of this enterprise.

SENATOR MANSFIELD'S EULOGY OF PRESIDENT KENNEDY AMONG THE GREATEST

Mr. YARBOROUGH. Mr. President, the eulogy to President Kennedy by the distinguished majority leader, Senator MIKE MANSFIELD, has been republished in full in the Monday, December 2, 1963, edition of the Houston Post.

The Post in an article by Felton West, described the eulogy as one of the most touching pieces of oratory in American history. I ask unanimous consent that the article captioned "Senator MANSFIELD's Eulogy Among the Greatest" be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR MANSFIELD'S EULOGY AMONG THE GREATEST

(By Felton West)

WASHINGTON.—Senator MIKE MANSFIELD, Democrat, of Montana, the Senate majority leader, has not been particularly famous as an orator. But in the eyes of Washingtonians he established himself as one of the great ones on Sunday, November 24, with a single deliverance.

His eulogy of the assassinated President, John Fitzgerald Kennedy, as the President's body was placed in the Capitol Rotunda to lie in state for a day, was so touching and heart-rending it may well receive frequent reprinting in history books and other literature.

Had Mr. Kennedy's alleged assassin not been assassinated himself on that very day, before the eyes of millions watching on television, Senator MANSFIELD's tribute to his fallen leader undoubtedly would have received far greater prominence in the news that day.

You probably remember that it contained a recurring reference to the fact that when the President died, his wife, Jacqueline, kissed his lifeless lips and took off her ring and put it in his hand.

Some parts of the eulogy have no doubt been heard or read by most Americans old enough to read. Parts of it were quoted in this newspaper last Monday. But the entire text was not because of the great volume of news that day about the second killing at Dallas and the events in Washington leading up to the President's burial.

For those who did not hear or see it all—and those who wish to save one of the most touching pieces of oratory in American history—we publish here the entire tribute:

"There was a sound of laughter; in a moment, it was no more. And, so, she took a ring from her finger and placed it in his hands.

"There was a wit in a man neither young nor old, but a wit full of an old man's wisdom and a child's wisdom, and, then, in a moment, it was no more. And so she took a ring from her finger and placed it in his hands.

"There was a man marked with the scars of his love of country, a body active with the surge of a life far, far from spent and, in a moment, it was no more. And so she took a ring from her finger and placed it in his hands.

"There was a father with a little boy, a little girl, and a joy of each in the other. In a moment it was no more, and so she took a ring from her finger and placed it in his hands.

"There was a husband who asked much and gave much, and, out of the giving and the asking, wove with a woman what could not be broken in life, and, in a moment, it

was no more. And so she took a ring from her finger and placed it in his hands, and kissed him and closed the lid of a coffin.

"A piece of each of us died at that moment. Yet, in death he gave of himself to us. He gave us a good heart from which a great leadership emerged. He gave us of a kindness and a strength fused into human courage to seek peace without fear.

"He gave us of his love that we, too, in turn, might give. He gave that we might give of ourselves, that we might give to one another until there would be no room, no room at all, for the bigotry, the hatred, prejudice, and the arrogance which converged in that moment of horror to strike him down.

"In leaving us—these gifts, John Fitzgerald Kennedy, President of the United States, leaves with us. Will we take them, Mr. President? Will we have, now, the sense and the responsibility and the courage to take them?

"I pray to God that we shall, and under God we will."

EQUALITY, FAIRPLAY, AND JUSTICE—ADDRESS BY SENATOR FONG

Mr. KUCHEL. Mr. President, on September 27, our able colleague, Senator HIRAM L. FONG, delivered a noteworthy address on civil rights and civil liberties before a convention of delegates to the International Longshoremen's and Warehousemen's Union Local 142 in Honolulu.

This speech—which is aptly entitled "The March Toward Equality, Fairplay, and Justice"—is of particular importance and historic significance because of the national and, indeed, international stature of my good friend and our distinguished colleague, HIRAM FONG.

No Senator is more highly respected and esteemed by his fellow Senators as a warm and gifted leader of men. When he speaks, as he so often does on issues of great social importance, he speaks clearly and with reason.

Across the Nation and around the world, Senator FONG's leadership in championing the rights of the common man is well known. In the field of civil rights and civil liberties, his efforts have been constant, determined, and unyielding.

Mr. President, these are critical times. As Senator FONG notes:

> The common man, in his great march toward equality, dignity, justice, and respect, has been in the forefront of sweeping economic and political revolutions the world over. Our own Nation—

He rightly points out—

> has been swept along by the force of this movement for equal status, and today we are witnessing an upheaval of profound proportions in America.

Viewed in these contexts, Senator FONG's speech takes on a special and unique relevance for our time.

I have before me a copy of the text of Senator FONG's address, "The March Toward Equality, Fairplay, and Justice," together with a covering letter from Mr. Newton Miyagi, secretary-treasurer of the ILWU Local 142. I ask unanimous consent that the texts of the speech and letter be printed at this point in the RECORD.

There being no objection, the letter and speech were ordered to be printed in the RECORD, as follows:

INTERNATIONAL LONGSHOREMEN'S & WAREHOUSEMEN'S UNION,
Honolulu, Hawaii, November 27, 1963.

HON. HIRAM L. FONG,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR FONG: I am sending you a stenographic transcript of the excellent and memorable talk you gave to the sixth biennial convention of ILWU Local 142.

Many delegates told me how much they appreciated your forthright expressions for civil rights and civil liberties and said that they wanted to see the text of your talk in print. The officers of the local feel the same way and hope that you will be able to give it a wide circulation.

Again, warm thanks and aloha for your part in our convention.

Sincerely yours,

NEWTON MIYAGI,
Secretary-Treasurer.

THE MARCH TOWARD EQUALITY, FAIRPLAY, AND JUSTICE

I am very happy to be here with all of you today. It is an honor, a pleasure and a privilege to participate in this sixth biennial convention of the ILWU Local 142.

In my long association with you and your officers, I have come to know how successfully and actively you have carried on your union negotiations and activities for the benefit and welfare of your members and how you have been sought after by so many laboring groups outside of sugar, pineapple and stevedoring to organize them as ILWU units, bespeaking the high regard they hold your officers and members. Employers who have dealt with your officers and leaders have expressed to me that you are a responsible and matured union.

I am also keenly aware that aside from your primary purpose of unionism for which you were organized, you take great pride and a very active participation in the manifold activities of our community. I am also deeply aware that you have been long in the forefront carrying forward the fight to achieve equal rights for all Americans regardless of race, creed, color or national origin.

Your resoluteness and dedication of purpose in the protection of our civil rights and civil liberties has placed you and your ILWU as stout champions of the individual in this century of great changes.

For all you have done and accomplished, for the benefit and progress of your members, for the benefit and progress of all Americans, and for the benefit and progress of our community, State, and Nation—I congratulate and commend you.

The 20th century has been called the century of the common man. And so it is, for during these 63 years, the common man has risen to form more nations, establish more self-government, cast more ballots, build more schools, study more books, cure more diseases, minister to more needy than ever before.

As a part of this movement in the rise of the common man, we are witnessing in our Nation today an upheaval, deep, broad and forceful. It is a revolution among the common man for equality, for fair play, for justice, for a chance to get a job, for dignity, and for respect.

In America, this whirlwind of revolt has swept across the face of the Nation, producing our Birminghams and our New Yorks, our Oxfords and our Chicagos, and finally building up to that climactic march on Washington for jobs and freedom.

I was asked whether I approved of this march for jobs and freedom. This was my answer. I said that the right of the American people to petition their Government is fundamental to our democracy. That right is guaranteed by the first amendment to our Constitution, which says that "Congress shall make no law respecting * * * the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

I believe that the August 28 march is a legitimate exercise of this right. It is in keeping with the best traditions of America's heritage.

As one who believes in the right to petition and as one who is always willing to listen, I welcomed this opportunity to hear the petitions of my fellow citizens.

No one present at the civil rights march on August 28 could fail to be deeply moved by that stirring demonstration of 200,000 of our fellow Americans. No one could fail to realize that these petitioners were a living testament that our democracy, though imperfect, still endures. No one who looked upon the vast sea of faces turned upward toward the statue of Abraham Lincoln, and no one who listened to the rhythmic chant, "Pass the bill. Pass the bill" could fail to feel the depth of the commitment and dedication of his fellow man.

Because we have the good fortune to live in Hawaii, where there is so much freedom of opportunity and where the spirit of aloha is everywhere, and because most of us at one time or another have felt or witnessed the denial of justice and fair play, all of us can understand fully and deeply the very intense pleadings of our fellow citizens for equal status.

We all feel very strongly that discrimination and prejudice are morally wrong, wherever they are practiced. We all know that discrimination is not limited to one area of our land. It happens in too many places. We all know that discrimination is not confined to members of one race. It hurts the people of too many races. We all know discrimination is not aimed against only one color. Prejudice can spread to any color.

Whatever his racial background, all the common man wants is to be able to walk into a restaurant and be served, like anyone else. All he wants is to be able to buy a theater ticket or a bus token and sit wherever there is a vacant seat, like anyone else. All he wants is to be able to vote freely and without fear, like any other citizens. All he wants is the opportunity to give his child the best possible education, like any other American. All he wants is to be able to get a job, or to be considered an applicant, like anyone else. All he wants is to be able to live in a decent home in a decent neighborhood, like anyone else.

In other words, all the American common man, and especially the American Negro common man, wants is his birthright—all the rights his American citizenship entitles him to have, like any other American, rights which have been denied him for centuries. And he wants them now.

In this centennial year of the Emancipation Proclamation, it is timely for all Americans to wipe out the last vestiges of racial discrimination and make equal opportunity a living reality in all areas of community life—in the voting booth, in the schoolrooms, in employment, in housing, and in public facilities.

A few months ago, the President in a long awaited message asked Congress to enact an omnibus civil rights act which would do seven things:

First, the bill would prohibit racial discrimination in all public accommodations,

such as hotels, restaurants, theaters, parks, and playgrounds. Nothing is more insulting to a citizen who is barred from places like a hotel or a restaurant just because of the color of his skin, or the slant of his eyes, or the shape of his nose. This injustice has no place in a country proud of its heritage of equal rights, of one nation, of one people.

Second, the civil rights bill would protect the right of all children to attend desegregated public schools by allowing the U.S. Attorney General to start school desegregation suits. All of us in Hawaii know how vital it is to have a decent education. In our complex, highly industrialized society where automation and other technological developments are moving swiftly ahead, if we take away a man's education, we take away his very livelihood. Every American should have an equal educational opportunity.

Third, the civil rights bill would protect the right of all persons who want to vote in any Federal election. The proposal says that anyone with a sixth grade education is educated enough to vote. This will prevent some States from denying a person who is qualified to vote from voting. If we are to have a strong, effective democracy, there can be no more important legislation than laws to insure everybody's right to vote.

Fourth, the civil rights bill would allow the Federal Government to cut off Federal money to any program or activity where there is racial discrimination. This provision would require that there be no discrimination in many federally supported programs.

Fifth, the civil rights bill would extend the life of the Civil Rights Commission by 4 years. Since it was set up in 1957, the Commission has served with great distinction. It has thrown a spotlight on many critical and unresolved civil rights problems. It has investigated and uncovered many cases where citizens were denied equal housing, education, and employment opportunities, denied the right to vote, and denied fair treatment by the police.

Sixth, the civil rights bill would establish a Community Relations Service to help local communities wipe out discriminatory practices.

Seventh, the civil rights bill would establish a Commission on Equal Employment Opportunity to help prevent racial discrimination in jobs where the Government is involved. Unemployment falls the hardest on certain minority groups. For example, the unemployment rate of the Negro is about double the rate for the whole labor force.

Now that the President has committed himself to a historical far-reaching civil rights program, Congress faces the job of enacting a strong and effective civil rights law. There is no doubt that civil rights legislation is the greatest single piece of unfinished domestic business. It is our number one problem at home.

The Senate's civil rights bill is still bogged down in Judiciary Committee hearings.

When the Senate finally takes up civil rights legislation, a southern filibuster is sure to come. Around-the-clock sessions will very likely be used to try to break it—but I am afraid that these 24-hour sessions are harder on those of us who want to break the filibuster than on the filibusterers.

The most critical vote will be on cloture to stop the talkathon. In that fight, the President cannot be a casual bystander. He will be counted on to use the great power of his office to stop debate and get some action on these badly needed civil rights measures.

As a Senator representing this State with its many races and many assimilated cultures, and with its world-famous spirit of fair play and aloha; as one who has long supported efforts to wipe out race discrimination in America; as one who helped to write 23 civil rights bills in the Senate, I am 100 percent behind the fight to pass a good, strong civil rights bill. And as a member of the Constitutional Rights Subcommittee of the Judiciary Committee, I am in a position to do something about it.

While we are trying to wipe out the last traces of racial discrimination against our own citizens, is it not also good for us to reappraise this same relationship of man's equality to man with other peoples of the world? For as we move to erase racial discrimination against Americans, we should also move to erase racial barriers against citizens of other lands.

In 1952, Congress enacted the present Immigration and Nationality Act which wiped out total exclusion against Japan, the Philippines, and other Asian nations, and for the first time allowed many nations of the Orient a long-denied quota of immigrants. But today that 1952 law is very obsolete.

More than 10 years have now passed since it was enacted by Congress. Since then, our Nation and the world have witnessed revolutionary changes everywhere. Many areas emerged from colonial status to full nationhood. Many nations have changed their form of government. There is greater clamor for freedom, liberty, and justice, and, all over the world, peoples are on the march seeking equality.

At home, we have wiped out racial barriers in our Armed Forces, in interstate transportation, in our institutions of higher learning, and in many areas of our economy. We are making significant progress in desegregating our public schools, housing, businesses, and public accommodations, and protecting the voting rights of all citizens. And, we are continuing our battle for full equality. We must open our eyes and recognize this great upheaval in our Nation and throughout the world for equal status.

Again and again, America has been accused that it has been unfair in its immigration laws. We have erected racial barriers that deny equal dignity and respect to more than one-half of the world's population. These racial barriers are bad for America. They hurt America's image as the leader of the free world.

Our present immigration laws are filled with at least eight racially discriminatory provisions which I want to see eliminated. Let me give you a few examples.

First, the national origins system discriminates against orientals, Polynesians, and Negroes. It is a system that gives large quotas only to white nations, while the nations of Asia, Polynesia, and Africa are given tiny quotas of about 100 each.

Second, the Asia-Pacific triangle area was given only about 1½ percent of the total annual immigration quota—or 2,390 of 155,000. The Asia-Pacific triangle is an area in which more than half of the world's population lives. The overwhelming majority of quota immigrants, over 81 percent, comes from northern and western Europe; over 98 percent are from Europe; only 1.53 percent are from Asia and the Pacific.

Third, the place of birth determines what quota a white person falls under. But for orientals and Polynesians, it depends on race or ancestry. If you are a person of one-half Polynesian or oriental ancestry, you must wait your turn under the tiny Asian or Polynesian quotas, even if you were born and raised and your family lived for generations in a country outside of the triangle.

Fourth, the 1952 act sets up a special Asia-Pacific quota of 100. To this very small quota must be assigned thousands of Polynesian and oriental peoples living all over the world and in over 20 dependencies located in the triangle area like the Tongas and Okinawa.

Fifth, our present law clearly discriminates, not only against orientals, Polynesians, and Negroes, but also persons of Eastern European, Middle Eastern, and Mediterranean origins by giving them much smaller quotas than other European areas.

Let me give you some other examples of how discriminatory and unfair our present immigration laws are. Did you know:

That under present American immigration quotas for Asia and Pacific areas, more than 50 percent of the people of this state could be almost totally excluded from the United States?

That Ireland, with a population of 2,815,000, has a larger quota than all Asia, with a population of nearly 1½ billion?

That the quota for tiny Switzerland is greater than the quotas for the entire African Continent?

That the immigration quotas of nearly every nation in the Asia-Pacific area are so small that:

Japan's waiting list stretches all the way to 1989 or beyond?

The quota for Chinese persons is, for all practical purposes, exhausted in perpetuity, according to the State Department?

The quota for Okinawa, which does not fall under Japan's but under a special Asia-Pacific quota of 100 shared by 20 other Pacific dependencies, is backlogged for 48 years, until the year 2011?

It is very, very clear to me that in our immigration laws we have yet to live up to the ideals of equality our Constitution so eloquently proclaims. As one who is steadfastly determined to wipe out racial discrimination from our immigration laws and as a member of the Senate Subcommittee on Immigration and Naturalization, I pledge every effort to write a new, fair, and just immigration law. We will then be showing the whole world that we practice what we preach, and that in the eyes of the law, all men are equal.

This march of the common man for equality in employment, in housing, in schools, in the voting booths, in public facilities, is also a march for justice and fair play in the courts.

In my study of this problem, I find that there is a compelling need to insure fair play and to insure constitutional protections when a GI in our Armed Forces is tried in a military court for committing a crime.

Congress 13 years ago recognized the need to safeguard the GI's constitutional rights and in 1950 passed the Uniform Code of Military Justice. This code expressly extended the protections of the Bill of Rights to all military personnel. Congress also set up the U.S. Court of Military Appeals to review the convictions and sentences of military courts. Even with these laws, I find that many abuses still persist to prevent our GI's from getting a fair shake and an impartial trial.

In some cases, because of the pressures of superior officers, GI defendants did not receive impartial trials. In summary court-martial cases, a single officer acts as judge, jury, prosecutor, and defense counsel—a clear violation of the Constitution's guarantee for due process of law. Some GI's have been denied the right to speedy trials because of military redtape. Some GI defendants have been harassed by unreasonable searches and seizures, infringing the fourth amendment to our Constitution. The constitutional right to counsel is denied in many cases.

In addition, more and more, military commanders have been getting around the safeguards of the Military Code by handling the cases administratively. For instance, even though a serviceman had been cleared and acquitted before by a court-martial, he can be administratively discharged under "other than honorable" conditions for the same alleged misconduct. This is a very clear infringement of the constitutional ban against double jeopardy.

Because I strongly believe that it is only fair and just to do everything possible to protect the rights of the men and women to whom we have entrusted the Nation's defense, I have sponsored a series of 16 bills

to insure constitutional fairplay in military trials.

On the civilian side of the picture, I have found that there is also a serious need to protect the constitutional right of defendants in Federal criminal cases. Although the sixth amendment to our Constitution guarantees a speedy public trial, the Government has sometimes used delaying tactics that are clearly unconstitutional. I believe the purposes of the sixth amendment are to:

1. Prevent the Government from delay in bringing charges against the accused;

2. Prevent the Government from repeatedly bringing the same charge against the defendant by getting a voluntary dismissal of previously filed charges;

3. Prevent the Government from filing multiple indictments in different courts charging the same crimes, and keeping the defendant guessing which indictment to prosecute and at what time, if at all;

4. Prevent a long delay in beginning a trial after charges have been filed; and

5. Prevent any delay in imposing sentence on the convicted defendant.

To insure these guarantees of fairplay for a defendant, I have written a proposed law to prevent the Government from using such delaying, stalling, and unfair tactics.

On all 17 of these bills to protect the constitutional rights of military and civilian defendants, I shall work hard to see that they are enacted into law. For I am mindful of what Clarence Darrow once said about criminal defendants:

"The Constitution is a delusion and a snare if the weakest and the humblest man in the land cannot be defended in his right to speak and his right to think as much as the greatest and strongest in the land. I am not here to defend their opinions. I am here to defend their right to express their opinions."

And while I am protesting these abridgments of our constitutional rights, as an attorney with long experience in defense of people accused of crime in our State courts, I must also raise my voice against the strong efforts being made by the present U.S. Attorney General to have a bill passed allowing the Federal Government to invade the privacy of our lives by making wire tapping legal.

The Attorney General asked Congress in 1961, and again just a few days ago, on September 25, for authority to tap telephones and to use what is overheard as legal evidence in criminal trials. In effect, he wanted the power to eavesdrop, not only when a crime was already committed, but also when in his judgment a crime was about to be committed.

What a terrible encroachment on one of the most valued rights of a citizen—the right of privacy, the right to be personally secure. It was against precisely these kinds of police state tactics, this kind of tyranny, that our Founding Fathers rebelled from England and established our Republic. Justice Brandeis recognized this right when he said, "The makers of our Constitution * * * sought to protect Americans in their beliefs, their thoughts, their emotions, and their sensations. They conferred as against the Government the right to be let alone—the most comprehensive of the rights of man and the right most valued by civilized men."

Can you imagine what such a law could do? With modern electronic devices, conversations within the home and the office could be recorded without tapping any wire. The intimacies of private life can be made public without a key being turned or a window being raised. Moreover, a wiretap cannot be limited to a particular person, place, or purpose. It is by its very nature unlimited and unlimitable. Whenever a tap is placed on a phone, it monitors all conversations on that phone, and every phone in the world which may be connected with it.

An American citizen's home is not likely to be much of a castle if law enforcement authorities can barge into it without so much as a warrant whenever they happen to merely suspect that he was about to commit a crime.

Of course, all Americans are concerned that those who violate the law are apprehended and convicted. But if wiretapping is made legal, is not the price we must pay, the loss of our personal liberty, far too high a price? When we open this door to the Government, as Alan Barth rightly points out, it is only a very short step to allowing the Government to rifle our mails and search our homes. Mr. Barth said further, "A great deal could be learned about crime by putting recording devices in confessionals and in physicians' consulting rooms, by compelling wives to testify against their husbands, by encouraging children to report the dangerous thoughts uttered by their parents. The trouble with these techniques, whatever their utility in safeguarding national security, is that a nation which countenances them ceases to be free."

Any of these actions would clearly violate the guarantees of the fourth amendment to the Constitution, that "The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures shall not be violated."

What is at stake here—in the wiretapping proposal as well as all the other civil rights and civil liberties I have been talking about—is our very freedom embodied in those liberties inalienably guaranteed us by the Constitution. These are high stakes. A free society guards its liberties jealously. The most important lesson of history America has learned is that when freedom is denied to one man, it is denied to all.

For freedom is noble and indivisible. If we want to enjoy it, it must be extended to everyone. If we want to maintain it, we must fight for it.

It is time now for the true, clear voice of America to be heard, distinct and strong. It speaks to Americans of what this Republic really is and what this free Republic must do to remain true to herself.

The true voice of America reaffirms the American idea. It speaks of a rededication of all her people to the proposition that all men are equal. It speaks of a renewal of the commitment of heart and mind to the spirit of liberty.

Living as we do in Hawaii, it is easy for us to listen to this voice of America. It is easy for us to hold the simple truth of the essential equality of man to be self-evident.

We have learned to value highly the precious freedoms we now enjoy. Steeped as we are in a mixture of Christian idealism on the one hand, and the great oriental philosophies with their emphasis on righteous human and moral conduct on the other, we have molded a society which is a showcase of freedom and equal status here in the islands.

For we, the people of Hawaii, understand well the spirit of liberty which underlies all of our American ideals. The great judge, Learned Hand, has described it well:

"Liberty lies in the hearts of men and women. * * * What then is the spirit of liberty? I cannot define it; I can only tell you my own faith. The spirit of liberty is the spirit which is not too sure that it is right; the spirit of liberty is the spirit which seeks to understand the minds of other men and women; the spirit of liberty is the spirit which weighs their interests alongside its own without bias; the spirit of liberty remembers that not even a sparrow falls to earth unheeded; the spirit of liberty is the spirit of Him who, nearly 2,000 years ago, taught mankind that lesson it has never learned, but has never quite forgotten; that there may be a kingdom where the least shall be heard and considered side by side with the greatest."

THE CASE FOR THE ATOM

Mr. McINTYRE. Mr. President, Mr. John W. Simpson, group vice president of the Westinghouse Electric Corp., recently addressed the Atomic Industrial Forum in New York City on the subject of civilian nuclear power. My home State of New Hampshire is one of the Nation's highest power cost areas. To a very great extent, this has resulted from the small size of the area served and the high transportation rates which our utilities must pay. The artificial shortage of residual fuel oil, arising from the import quotas maintained by the Oil Import Administration, aggravates this high power cost situation. Much though I deplore the upward cost pressures which our utilities must somehow resist, the high costs of conventional fuels in New Hampshire undoubtedly hasten the day when we will rely in much greater part on nuclear power.

The price for electric power sold by the Yankee Atomic Electric Power Co. at Rowe, Mass., in its first year of operation in 1961, was 10.3 mills per kilowatt-hour. The total 1961 cost of steam-electric power production for New Hampshire's largest electric utility was about 10.9 mills per kilowatt-hour. There can be no question but that New Hampshire will be one of the first beneficiaries of competitive civilian nuclear power. For this reason, I found Mr. Simpson's speech exceptionally revealing and highly relevant to the future of northern New England. I ask unanimous consent that it be printed at this point in my remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE CASE FOR THE ATOM

I would like to begin this talk by going back some 75 years, to recall to your minds an almost forgotten scientific war. I do so because I feel it may have some relevance to a similar situation developing today.

The place was New York City. The year was 1886. The central character was one of America's great engineers, George Westinghouse. Mr. Westinghoue had a plan.

A small but extremely vociferous minority charged that the plan could kill people in a few seconds and destroy large sections of the city by fire. The press, which was pretty irresponsible in those days, ran sensational stories on what it called "the murderer." The feeling of panic was encouraged by interested parties and groups.

New York's Mayor Hewitt was urged to take the law into his own hands if necessary to stop this thing, and when he failed to do so, one journal called for his arrest as accessory to "a carnival of avoidable suicide." An ex-Governor of the State wrote to the mayor urging him not to let the plan go into action anywhere within the city limits of New York.

What Mr. Westinghouse was proposing, of course, was alternating current. His proposal would spread cheap power throughout New York and keep the city from strangling in a network of low-voltage direct current lines. He might have expected applause, but what he got was an emotion-charged crusade.

Mr. Westinghouse explained patiently over and over again that alternating current was safe. "The transformers," he said, "are so constructed that the primary or street current can never by any possibility enter the home."

Despite this, the attacks increased. Even Thomas A. Edison attacked alternating current as unsafe. He wrote an article against it in the North American Review, which, you might say, was the Harper's magazine of that day. He was freely quoted in newspaper stories as being positive that no known method of insulation could render alternating current wires safe if they carried more than 200 volts. Their use underground in subways, he said, would not lessen the danger, because the high tension current would burn out the tubes and enter dwellings through the manholes.

There is a lot more to the story, but, as you know, everything turned out all right. The American people chose to go along with alternating current, and it is good that they did. Without it, our industrial growth would have been shackled for lack of available energy.

Now I would like to recall another historical event of some importance.

On the last day of the year 1946, President Truman signed a document that transferred the Nation's wartime atomic facilities—the whole complex of factories, laboratories and weapons—to civilian control under the newly created Atomic Energy Commission. Atomic energy was still a Government monopoly, but at that moment the Nation took its first small steps in a program to convert atomic energy to peaceful and constructive purposes.

Part of my purpose today is to try to measure, to assess, the progress we have made in that program since 1946. It has occurred to me that we might best do this if we looked at the program from a different point of view—if we tried to imagine how the results accomplished to date would have looked to scientists in 1946.

And so I ask you now to imagine, for a moment, that you are back with me in December 1946. We are at a meeting of top American scientists and engineers, and we are hearing a talk on potential civilian developments in atomic power.

As professionals, we know in 1946 something of the technical problems that lie ahead in atomic power. We understand what an enormous and doubtful task it will be to take the theoretical concepts of the physicist and convert them into a machine that works. We, of course, ignore the careless prophecies and loose promises that are going around in 1946—the promises of do-it-yourself atomic furnaces the size of a shoebox in every American home. The great unanswered questions in our minds are basic ones. Can it be done? Can practical, power-producing atomic reactors be built? Can they be built in the 20th century? Can we produce enough uranium and fissionable material to run them?

Now I ask you to imagine that someone stood up in that 1946 meeting and predicted, with absolute assurance, the course that atomic power would follow in the next 17 years. Suppose that he told us the following:

"Five years from now," (I am quoting this man) "an experimental reactor at Arco, Idaho, will produce, in laboratory amounts, the first electric power from nuclear energy.

"In less than 7 years, the prototype of nuclear reactor built to propel a submarine will produce the first usable atomic power in substantial quantities.

"In less than 8 years, the AEC will award a contract to build a nuclear power station at a place called Shippingport, Pa. A new Atomic Energy Act will permit private industry to build, own, and operate atomic reactors.

"In 8 years, an atomic submarine, named the *Nautilus*, will cruise out into the Atlantic on nuclear power. Eventually, it will sail under the Arctic ice cap to the North Pole.

"In exactly 11 years, the Shippingport plant will produce nuclear power on the line.

"In only 17 years—on November 21, 1963—there will be 12 major nuclear power stations in America producing electricity for utility systems. Utilities will have announced firm plans to build seven more nuclear stations, ranging from 325,000 to 1 million kilowatts.

"These new plants, when completed" (I am still quoting) "will be producing power at per-kilowatt cost competitive with conventional power produced in their areas.

"In 1963, the total U.S. civilian nuclear power capacity in operation, under construction contracted for, or publicly announced will total 5 million kilowatts. That will be equal to the 1963 installed electrical capacity of Belgium, larger than the capacity of Austria, or of Mexico.

"You will have all the uranium and fissionable material you need.

"The U.S. Government will accomplish this progress in civilian nuclear power without a crash program, for an average investment of $77 million per year over the period of 17 years."

Well, I am finished with the prophecy that might have been made in December 1946. In my opinion, any audience of engineers and scientists recently would have rejoiced 17 years ago at the prospect of such stunning success in nuclear power at so small cost within so short a time.

In 1946, I was working at Oak Ridge with the Daniels Pile group, and the potential of civilian nuclear power was constantly in our minds. I know that if we had been given any such firm assurance of the atomic future, we would have felt great relief and encouragement in the face of what appeared to be a difficult, perhaps impossible, task. For that prophecy would have had a deep importance to us. It would have said that mankind now has a whole new source of practical, usable energy.

You know, of course, that the atomic power program has developed exactly as I described it. This, it seems to me, gives us reason for pride, thanksgiving and bold plans for the future. Instead of these, we now hear from several directions sour complaints that the civilian atomic power program is a failure; that it is moving too slowly; that it is moving too fast; that it is costing the American taxpayer too much; that the electricity produced by atomic power is a disappointment because it is no different from the electricity produced by the combustion of coal; that atomic powerplants are lethally dangerous and, if built at all, should be built not here, not there, but somewhere else.

I confess that I am mystified that this is happening. I am unable to account for it on any basis of experience or logic. If things had gone wrong instead of right in the atomic power program, we could understand the doubts and fears. If the program had failed instead of succeeded, we could understand the attacks. But I have asked the basic questions that should be asked of such a program in order to form a judgment, and the answers I get provide no cause for fear and no justification for attack.

Question No. 1. Has the civilian atomic power program lagged or fallen behind original expectations?

Most scientists and engineers, I think, will agree today that the program has progressed with reasonable speed and far beyond the early expectations of those qualified to render a judgment. Back around 1948–50, many scientists thought that central station atomic power might be available "before the turn of the century." Some of the more optimistic said "within 25 years." Nobody, to my knowledge, predicted that it would be available in 1957.

Question No. 2. Are other nations performing better than we are in the development of atomic power?

It is generally acknowledged that the United States holds world leadership in atomic power. We have more atomic power stations in operation than any other nation.

Question No. 3. Has the atomic power program cost the American taxpayer too much money?

The civilian atomic power program has cost the Nation $1.3 billion since its inception 17 years ago. That expenditure for peaceful use of the atom is only 5 percent of the $26.5 billion the Nation has spent on atomic armaments. A distinguished Member of Congress has pointed out that it is exactly the same amount we have provided to help the nation of Iran. One billion, three hundred million dollars hardly seems an excessive amount to pay for a new technology, a new growth industry, and a new source of power.

Question No. 4. Are costs of the program skyrocketing or getting out of hand?

Annual costs of the program are less than they were 4 and 5 years ago. Costs recently have been running less than $200 million a year, and they are projected for no more than that for the future. This is the Federal investment for the research, design, development, and construction of prototype and experimental reactors, even including the buy-back of plutonium from private users which is truly an investment for the future.

A successful atomic power program will recover this investment for the American people many times over. If atomic power can cut power costs by only one-tenth of 1 mill per kilowatt-hour, consumers will save more than $100 million each year on the basis of present power load. This saving would mount into the billions in the decades ahead, as load doubles and redoubles.

It is interesting to note that coal prices have been dropping in those areas where nuclear plants are being built or considered. If we can assume that this price decrease has come about because utility management now has another competitive source of fuel to choose from, then the American people are already beginning to receive dollar dividends from atomic power.

Question No. 5. Have the private utilities refused to support the program with their own money?

Since 1954, it has been Government policy to encourage utility companies, in the national interest, to invest in atomic power installations. Up to now, these companies have invested $500 million in atomic power. In 1963, the year atomic power came of age, they committed themselves to spend $500 million more. In addition, the manufacturers and suppliers have invested between $200 and $300 million in atomic facilities and development, and this investment has been mounting sharply. That is as it should be. In the not-too-distant future, the Federal Government will be able to devote itself exclusively to basic atomic research.

Question No. 6: Has it been demonstrated that atomic powerplants cannot compete in cost per kilowatt-hour with conventional plants?

Perhaps the best evidence that atomic power is becoming competitive lies in this commitment by utility executives to buy a half-billion dollars' worth of atomic plant. Westinghouse has had some experience in selling to utility executives, and I can attest that they are notoriously tough bargainers in a business deal. If anyone thinks these men would put any such sum in atomic power without a sound economic justification, he just does not know utility men. These executives recognize their obligations to the communities they serve, to their employees, and to their stockholders.

The fact is that the atomic plants now being bought by the utilities will be competitive, when completed, with conventional

plants in areas where the cost of coal, oil and gas is relatively high—for example, on the west coast and in the Northeastern United States. We believe, further, that those atomic plants will, over their lifetime, generate power more cheaply than the conventional plants in their areas. And this is only the beginning of a new and burgeoning industry. As the industry grows, costs of plants, of fuel and of atomic power generation will continue to drop.

Norman Hillberry, former director of Argonne National Laboratory, used to say with a smile, "There are three kinds of lies in the world: lies, damn lies, and estimates of nuclear power costs." Those days are gone now. If anyone here is interested in buying an atomic powerplant, I'll be happy to quote him a firm price and give him guarantees and warranties.

Another indication that the atom is becoming competitive is the astonishing campaign that coal-industry spokesmen have launched against atomic power and against coal's biggest customer, the electric utilities, for investing in these plants. The assault has become so strong that President Kennedy felt impelled to say in a public address, "We cannot permit the mining industry to say there shall be no nuclear energy because it may affect them adversely."

Question No. 7: Has the safety record in atomic powerplants been bad?

In the U.S. atomic reactor program since 1946, no accident has ever occurred affecting public safety. Some 2 million man-years of experience have been logged on military, commercial and experimental reactors. In this period, the only serious incident involved experimental work in which three servicemen lost their lives. They were working at the National Reactor Testing Station in Idaho on an experimental reactor built for a special military use in remote areas. Three men are three too many, and the men have been mourned in our industry; but I still must ask: Is there any other industry in the world that has so good an accident record?

The Navy has now logged about 100 reactor-years of operating experience with its naval reactors. Thousands of its men have worked, eaten, slept, and relaxed through many millions of hours within a few feet of atomic reactors. They have done so without harm or injury.

In the 17 years of the civilian atomic power program involving 40 operating-years of experience with commercial reactors in the United States, there has been no injury and no loss of life involving a reactor. This record, I would think, is unparalleled in industrial experience. It could be achieved, of course, only with the cooperation of a safety-conscious and safety-vigilant labor force.

The 6-year safety record of the Duquesne Light Co.'s Shippingport Atomic Power Station is a representative one for this new industry. There have been three lost-time accidents at Shippingport in 6 years. Two were back sprains. One was a strained knee.

Question No. 8: Has there been some new development that indicates atomic reactors are unsafe or dangerous?

You know—but I must state for the record—that atomic powerplants are safe as designed. There are natural features inherent in operating plants, in plants under construction, and in plants on the drawing board, which control the maximum rate of energy release and, in case of malfunction, would very quickly shut the plant down. There's absolutely no possibility of an "atomic explosion" in an atomic powerplant. There is no way in which an atomic reactor can get completely out of control. The amount of radioactivity you would receive from an atomic powerplant in your neighborhood would be less than you would receive in natural radiation walking through Central Park, less than that thrown off by your own brick house.

In addition to the reactor's natural built-in features, extremely reliable safety devices are also provided in duplicate—sometimes even in triplicate. These would prevent any operating error from causing an accident. They would prevent any credible equipment failure from releasing any significant amount of radioactive material from the reactor. Even if there could be radioactive leakage from the reactor in an emergency, the steel and concrete container shell would protect the public from any possible adverse effect.

Atomic powerplants are no longer experimental installations. We are now building fifth-generation plants whose reliability and safety are a proven fact.

Question No. 9: Has there been some move on the part of the AEC, the manufacturers, or the utilities to relax atomic safeguards and cut back on safety provisions?

On the contrary, the safeguards have been immensely strengthened.

In designing a commercial atomic reactor, you begin by designing to prevent damage to the core for all credible accidents. Then you imagine all the possible coincident failures of reactor safety devices and you make certain that none of these failures can lead to core damage. When you have done this, you know that atomic reactors—even those without systems to contain the escape of vapors—are safe. Nevertheless, you go a step further.

You proceed to hypothesize a situation in which there is an accident many times worse than any credible accident—one in which there is significant core damage and release of fissionable products. Against this, you design for containment of escaping vapors—practically speaking, an airtight steel and concrete structure up to 7 feet thick. With this you achieve absolute assurance of a super-safe plant in the face of any possible situation.

Unfortunately—and for reasons that appear questionable—some people who know better are misinterpreting these extra precautions as an evidence that the plants present an abnormal public hazard. They are wrong.

Some sensational and quite inaccurate charges have also been made about the hazards of transporting and storing radioactive wastes from commercial powerplants. The facts are these. Most shipments are of low-level wastes. While every safety precaution is taken with these, they are much less dangerous than such chemicals as chlorine gas—which have been transported under regulation in this country for decades without public alarm or protest. High-level radioactive wastes are also transported safely under the strictest Federal regulations. They must be carried in containers able to withstand an impact of 60 g.—that is, 60 times the force of gravity.

As for storage, the industry, under AEC supervision, is developing a method for the fixation of high-level wastes into solids, so that as these wastes mount in volume, they may be safely stored in solid form in a cave, where they will be available for the future as byproduct uses are developed.

On October 1, 1963, AEC Commissioner James T. Ramey expressed the viewpoint of his colleagues on the matter of atomic safety with the words: "I want to reaffirm the basic AEC policy that all activities under its cognizance will be conducted in a manner which assures that operating personnel and the general public are well protected against all hazards."

On November 7, 1963, Dr. Glenn T. Seaborg, AEC Chairman, said this: "Never before in the public's experience has an agency responsible for the protection of public safety gone to such extremes to allow for every foreseeable contingency."

On the basis of both the men and the record, it seems to me that the American people can accept these words as meaning exactly what they say. There is no reason to feel lack of confidence in the Government officials, elected or appointed, who are charged with administering and supervising the atomic power program. We already place such confidence in officials who have far greater responsibilities even than the siting of an atomic powerplant. We trust those officials with the right to declare war, to defend the country, to transport atomic energy in a form that can explode—that was built to explode. We trust them, in a case of extreme emergency, even to use atomic weapons. It would seem to me that we can place a comparable confidence in those officials who are charged with protecting the public interest and safety in atomic power.

Question No. 10. Have there been complaints from communities where atomic powerplants have been operating for the past several years?

The people in communities where atomic plants are operating have actively expressed satisfaction at having the plants there. For one thing, they provide an additional source of fuel to the utility company serving the area. In southern California, for example, for most of the year a utility now is allowed to use only one fuel—gas. The availability of a second fuel offers a distinct economic advantage. For another, atomic powerplants produce no air pollution. This is especially important in a community like Los Angeles, which is bedeviled by smog, most of it from automobiles. Utilities are doing a good job of controlling the discharge from their stacks, but as power demand doubles in the next 10 years, and doubles again in the next 20, the gaseous discharge from fossil fuel combustion will become an increasing problem. In the case of a nuclear plant, there is no such discharge.

In my opinion, responsible leaders are now or will soon be aware that they harm only their own communities in opposing the construction of an atomic power station. It is the communities that get lower cost power that will prosper, and atomic plants offer the prospect of lowest costs in the year ahead.

It would appear that the American people are now beginning a third great national debate on atomic power. In the 1946 Atomic Energy Act, they turned atomic energy over to civilian control. In amending the act in 1954, they brought private industry into the picture and laid the foundations of the atomic power industry. Now they must decide if they are going to permit atomic power to fit into the normal pattern of industrial life. To put it in the simplest possible terms, the question is: Now that economic atomic power is within our grasp, do the American people want it, or do they not?

I would like to suggest that there are several key points to be kept in mind during this debate—in addition, of course, to the actual performance record of the industry to date.

First, an economic atomic power industry cannot be built in this country with plants restricted to remote and thinly settled areas. They must be in or near the areas they serve. This is especially true in large metropolitan areas where the problem of bringing extra-high-voltage power into the city from outside is very expensive.

Second, the atomic power program is nearing that point where it can stand on its own two feet without Federal support. As a New York Times editorial put it, "To slow down now is like faltering just short of the finish line in a 2-mile race." Although some reactor types now have achieved the long-sought goal of competitive economics in high fuel cost areas, it would be shortsighted to cut off research and development support before the fruits of our efforts can be made available to the entire Nation.

Third, regardless of what we do or fail to do in atomic power, our foreign competitors will continue right along with their programs. They will not slow down because we do. They are likely, rather, to accelerate their efforts. The world is going to have atomic powerplants. The only question is: Which nation will provide the leadership, do most of the work, and sell most of the plants? We *hold world* leadership in atomic power now. We will not continue to hold it if we slow down our program.

Fourth, and finally, it is within the power of an active and vociferous minority of the public to cripple and set back the atomic power program by years if the majority remains passive and silent. A continued barrage of ill-informed, emotional or highly motivated attacks can exert such pressure on legislators, administrators and utility companies that they will be reluctant to support atomic power development and subject themselves to harassment. There is danger now of a situation developing very much like the fanatical crusade carried on 75 years ago against alternating current.

We can hope that the private citizens and organizations in the community who favor the development of atomic power—and I believe it is a large majority—will stand up to the uninformed opposition and express themselves forcefully and effectively. To do this, they will need to be armed with background information, facts and ideas—with the complete rationale for atomic power.

It would seem to me that an industrywide program of education and rebuttal is called for. Our whole industry is being attacked; the whole industry should answer. The Nation's utilities and reactor manufacturers should join forces to spearhead this industry effort. The only weapon needed is truth—well presented and widely disseminated.

The atomic power industry has all the arguments on its side. It is a safe industry. It will bring cheaper power to the American people. It will conserve our natural resources. It will assure continued supplies of power in time of community or national emergency. It will give us continued leadership in a vital worldwide effort. It is being built in the national interest.

JOHN FITZGERALD KENNEDY

Mr. YOUNG of Ohio. Mr. President, President John F. Kennedy, only 46 years of age, happily married, father of two small children, brilliant, eager, foremost leader of the free world, died a martyr. He will no longer direct the destiny of our Nation and freedom-loving people the world over. His assassination so sudden, so revolting, is a supreme sacrifice to peace and understanding in the world. In World War II the life of this gallant young man was saved in enemy action. In this cold war he lost his life. Why, we ask? Perhaps the answer is that hate for fellow Americans has been building up, stimulated by lunatic fringe propagandists of the radical right and radical left. There has been too much hate built up by unscrupulous demagogs—hate for President Kennedy, hate for his administration; hate for the Chief Justice of the United States; false charges that our President was soft on communism; hate further inflamed by false scurrilous conclusions and innuendoes in the Lasky so-called biography; hate unbridled. Some citizens have been tolerant of extremist elements among us, evidently, in the belief they were crack brains, loudmouths, and habitual letter-to-editor writers who would disappear of their own accord in due time. Since the witch hunts of the early 1950's a climate was created which encouraged these lunatic extremist organizations to flourish unchallenged. Perhaps this atmosphere contributed to the death of our young President. If these lunatic fringe extremists of the left and right are to be restrained, they must be subject to constant exposure and relentless publicity. Unfortunately, there are too many of these patriots for profits. America is really last with them. The people of America and the entire world have poured out their grief, shock, and anger over the assassination of our President. Chief Justice of the United States, Earl Warren, expressed the feelings of many Americans in his statement on this tragic occasion. He said, "A great and good President has suffered martyrdom as a result of hatred and bitterness that has been injected into the life of our Nation by bigots, but his memory will always be an inspiration to Americans of good will everywhere." Those lunatic fringe extremists use divisive tactics—causing one American to hate and distrust another. They aid our Communist enemies, though they ignore Communist aggression from abroad while making outlandish statements alleging there are Communists in our State Department, on university faculties and even in the Protestant ministry. These bigots are really America lasters. They inflame addle-brained psychopaths. They sowed and reaped colossal tragedy. One of the greatest of all American Presidents, John F. Kennedy, killed by an assassin's bullet. We have a new President who is a great American. In his first public statement as President of the United States, Lyndon B. Johnson asked for the help of all. Now it is more essential than ever before that we Americans stand united before the world.

FINNISH INDEPENDENCE DAY, DECEMBER 6, 1963

Mr. SALTONSTALL. Mr. President, "we cannot escape geography." These four words, spoken by a former President of Finland, explain much of that country's past history and provide a basis for understanding its current role in European and world affairs. For, although the Finns are an ancient people, they did not throw off the curse of foreign domination until December 6, 1917. This freedom was made possible by the extensive internal upheaval in Russia at that time. Thus, on Friday of this week, Finland celebrates its 46th year of independence.

Since they wrested their independence from Russia, the Finns have lived from one crisis to another almost continually. The early days of national freedom were marked by a savage civil war. Later, the Republic was nearly overthrown by a Fascist movement. Then, between 1939 and 1944, Finland was forced to fight two disastrous wars with the Soviet Union. At the end of World War II, Finland was faced with two main tasks: First, paying more than one-half billion dollars in reparations to Russia; and second, settling some 477,000 refugees. This was comparable to our having to pay an indemnity of $20 billion and settling 18 million refugees. Only through much sacrifice and determined effort were the Finns able to shoulder these formidable burdens.

One of the cornerstones of Finland's foreign policy since the end of the last war has been that of not provoking the Bear to the east. The constant threat of Russia has made Finland determined to remain out of big power politics. That the Finns have survived such vicissitudes and maintained their independence and democracy is certainly an outstanding achievement. In addition, Finland has established a standard of living which is among the 10 highest in the world. Thus, although long dominated by foreign nations, ravaged by war, forced to contend with a cruel climate, and aware of a continuing threat to its independence, these sturdy people have made significant political, economic, and social advances in their 46 years of independence.

As we pay tribute to this stanch ally of freedom, let us not forget the contributions of its citizens to Western culture. We have read the works of Frans Emil Sillanpaa, a Nobel Prize winner; we have admired the sculpture of Waino Aaltonen; we have been moved by the symphonies of Jean Sibelius; and we have marveled at the architectural creations of Eliel Saarinen. Finland has indeed made significant contributions to the development of Western civilization.

In addition, those of Finnish origin have played vital roles in the progress of our Nation. At the present time, we have more than 400,000 citizens of Finnish descent in this country. They have performed numerous functions in the development of this Nation by their efforts in positions of leadership and management, in individual roles as artists and writers, and in essential but less publicized roles. Massachusetts has been fortunate to have had many of these people settle within its boundaries.

Thus, as Finland celebrates its independence this December 6, we are proud to reaffirm our friendship and express our gratitude for the contributions of its citizens, not only to America, but also to Western civilization. We have been enriched by the successes of those who have come to our shores and we have been inspired by the efforts and achievements of those who have remained in their native land. Congratulations and "kiitos." "Kiitos" is Finnish for "thank you."

FAITH IN FREEDOM

Mr. DODD. Mr. President, last night I had the privilege and pleasure of attending a dinner in honor of J. Edgar Hoover, sponsored by the Brotherhood of the Washington Hebrew Congregation.

Mr. Hoover delivered a notable address entitled "Faith in Freedom," which deeply moved all who heard it.

Mr. Hoover traced the manifold blessings of our American society back to the fundamental religious beliefs which formed the cornerstone of our public philosophy. But he did more than this. Mr. Hoover also analyzed the many flaws in our society and attributed them to a falling away from those same basic moral and ethical convictions.

Mr. Hoover spoke forcefully and compellingly of the need to do away with sentimentality in our efforts to control the growing crime wave. He said this:

Fantasy and weakness have too often prevailed in the administration of justice where strength and realism are essential needs.

There are some misguided social workers and judges who have perverted the meaning of mercy. When so-called mercy aids society's enemies, it is not longer mercy. It is sheer stupidity, if not worse. Justice is needed—stern justice. Without such justice our streets—and our families—will continue to be endangered.

Justice is not served when the innocent victim and society suffer while the vicious criminal goes free.

I believe that everyone who reads this address will profit by it and I, therefore, ask unanimous consent to have it printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FAITH IN FREEDOM

(Remarks of J. Edgar Hoover, Director, Federal Bureau of Investigation, before the Brotherhood of the Washington Hebrew Congregation in Washington, D.C., December 4, 1963)

This is a great moment in my life. To be recognized in this manner by the Brotherhood of the Washington Hebrew Congregation is a distinction which I shall cherish always.

I am especially honored by the presence of so many close friends, including the distinguished civic leaders whom you have selected as recipients of other awards.

How have these men come to positions of prominence in our community? It is because they have dedicated themselves to service—they have eagerly accepted the responsibilities of good citizenship, and they are willing to be judged upon their records of positive contributions to the cause of decency and of justice.

Decency and justice—these are the high aims of this brotherhood, just as they always have been an integral part of the Hebrew religion which has given mankind the Ten Commandments and the concept of a monotheistic God. For these sacred gifts, all true religions of the Western World are eternally indebted to you.

Americans of the Hebrew faith are doubly blessed. The rich cultural inheritance that has been handed down since early Biblical times to generation after generation of Jews is combined, in our country, with a proud heritage of freedom. It is a heritage that was won by the sweat, the blood, and the sacrifices of men and women of many nationalities and many religious creeds.

Devotion to God, belief in the inherent dignity of mankind, faith in man's ability, through divine providence, to guide his own destiny—these are the strong ties that hold together our United States, the greatest brotherhood of freedom in the history of the world.

No one has a deeper understanding of the true meaning of freedom than the members of the Hebrew faith, for no peoples have suffered more relentless persecution and injustice at the hands of tyranny through the ages.

Today the fires of anti-Semitism continue to burn with fierce intensity in many areas of the world. This is particularly true behind the Iron Curtain where communism, the bitter enemy of Judaism and of all other religions of the world, seeks to destroy your priceless heritage and the right of your people to live according to the tenets of God.

During the past generation, the conscience of decent men everywhere has been shocked by the continuing vicious atrocities that have been committed against Jews in the Soviet Union. Rabbis have been arrested and imprisoned or executed; synagogues have been desecrated; the traditional Jewish school system has been liquidated; and Hebrew literature, language, and customs have been suppressed by the Russian Communists.

Despite Communist claims of improved conditions for Jews under the Khrushchev regime, the opposite actually is true. Additional forms of suppression have been introduced.

The observance of Passover no longer can be held according to tradition; sacred Hebrew burial customs have been obstructed; and a statewide program has been instituted to make Jews the scapegoats for criminal acts affecting the Russian economy. Jews are clearly identified by religion on the internal passport which all Soviet citizens must carry.

Last October, the outrageous extent of this program was disclosed by the Moscow newspaper Izvestia when it announced the arrests of several persons involved in an alleged criminal conspiracy. The leaders of this gang have "Jewish names," Izvestia told its readers in demanding a "show trial" and "death sentences."

Vicious outbursts of religious hatred such as this caused one American newspaper recently to warn its readers, "For reasons best known to themselves the Soviet leaders discriminate heavily against Jews. The evidence is overwhelming and incontrovertible and renewed almost daily by the Russians themselves."

In a joint statement released last summer, three American Jewish organizations denounced the Soviet press for conveying "a viciously negative image of the Jews," and indignantly proclaimed, "Soviet Jews are deprived by official policy of religious and cultural rights * * * and are the victims of discrimination. * * *"

Communism and religion—like communism and freedom—can never coexist, for Marxism is unalterably opposed to all forms of religious belief. Lenin acknowledged this fact more than 50 years ago when he exhorted his followers, "We must combat religion—this is the A.B.C. of all materialism, and consequently of Marxism." Then he declared, "The Marxist must be * * * an enemy of religion."

Since the time of Lenin, atheistic communism has surged forth from Russia to enslave nearly one-fourth of the earth's surface and a third of her peoples. Nowhere are its advance battalions more active than in our own Western Hemisphere, where agents trained by the Kremlin continue to burrow deeply into countries of the Caribbean and Central and South America. Their deadly objective is to undermine legitimate governments, foment revolution and create a Soviet Union of Latin American Republics.

I have said this before and I would like to repeat it here: We are at war with communism and the sooner every red-blooded American realizes this the safer we will be.

Here in the United States, the cause of international communism is represented by the Communist Party, USA—a cunning and defiant subversive conspiracy which is financed, directed and controlled by the Kremlin. Its membership consists today of a hard core of revolutionary fanatics who are knowingly and eagerly subservient to the dictates of Moscow. The dupes, the dissidents, and the faint of heart have long since been purged from the party's ranks.

Today, the Communists are engaged in a vigorous campaign to divide and weaken America from within. Foremost in this campaign are the party's efforts to exploit misunderstandings and capitalize upon areas of dissension and unrest wherever they exist. This is especially true in the intense civil rights movement, for America's 20 million Negroes and all others engaged in this struggle are a major target for Communist propaganda and subversion.

It would be absurd to suggest that the aspirations of Negroes for equality are Communist inspired. This is demonstrably not true. But what is demonstrable is that some individuals and groups exploit the tension for purposes not confined to the equality of human rights under the Constitution of the United States. The crusade should not become a vehicle for political radicalism or organized violence.

Devotion to race must not supersede devotion to established institutions.

It would be useful if responsible Negro leaders themselves could make it clear to all who follow them that their interest is solely in racial equality.

This Nation was conceived under God and its progress has been under God. There could be no greater disaster for our Nation than that it should deny in any respect, to even the smallest degree, the presence, the power, the guidance, the protection, the instruction of Almighty God.

There is unmistakable evidence of divine guidance all through the history of our Nation. We must guard it. We must cherish it. We must revere it. We must work for it.

The record of our Nation is better than that of any other nation in any other part of the world. It is true there are injustices in this Nation toward those of dark skin, as well as light, but even worse injustices prevail in other parts of the world. Whether the people are black, or yellow, or brown, or white-skinned, these things will have to be worked out.

America has taken the lead in working them out, and it is taking the lead today. It is doing more for its underprivileged minorities than any other nation in the world, but there is more to be done.

We thank God that where the spirit of the Lord is, there is liberty.

As citizens of a free country, we must judge people as individuals—not by race, creed or color.

Legitimate civil rights organizations must remain constantly alert to attempts by the Communists to influence their actions, take over their programs and corrupt their ranks.

Communism feeds upon ignorance, prejudice and sickness of the mind and soul. It probes relentlessly for weaknesses in America's moral armor.

That is why the cause of communism is well served by the hatemongers, the lunatic fringe and other rabble who preach a doctrine of malice and intolerance toward their fellow man.

These venomous fanatics, whether they are extremists of the left or the right, are carriers of a highly infectious disease. They clutter the streets—and the mails—with their slanderous obscenities, urging impressionable teenagers and unstable adults to act of hate, terror and intimidation. They have brought forth the bombs and ignited the flames that have killed decent Americans and even innocent children and destroyed churches and other temples of worship. They are a national disgrace.

Invariably, these merchants of hate attempt to drape themselves in a cloak of patriotism. But their real objective is to profiteer and capitalize upon ignorance, prejudice and bigotry while destroying the very ideals which they claim to uphold.

Today, the Communists continue with impunity to breathe out lies and distortions against the United States. Their designs on American youth revolt and anger those steeped in our national ideals of freedom.

The peddling of their dishonest doctrine to highminded, largely inexperienced, and basically eager-to-believe young people is not unlike the peddling of filth and dope in demoralizing effect. It can undermine patriotism, create doubts about our social and economic system, and mock the many wholesome youth organizations in this country.

The great majority of American youths are genuinely convinced that they would not fall for the Communist bait. Many never would. But there are others who might never know they were "hooked" until the enormous tragedy of their loss of faith dawned after bitter years of fighting the American way of life, almost unwittingly, as dupes of the Communists.

It has happened to idealistic Americans before.

There is not an avenue to the heart and mind of Americans that is not used to implant their false ideology. Communism cannot be defeated by hysteria and name calling, but it can be defeated by education and living proof that our way of life is best.

The God-given ideals which are responsible for this country's greatness are being attacked on many fronts today. Moral lethargy, self-indulgence, neglect of duty—these lethal forces are undermining many facets of business, labor, industry, and government.

We find their influence in the repulsive attitude of "half-way Americans" to whom life in this country is the enjoyment of rights and privileges devoid of responsibilities.

We find their influence in those courts of law where the true purpose and intent of our Constitution as a document designed for the protection of society have too often been warped and distorted for the benefit of offenders.

We find their influence in the continuing increase of crime—a tragic national problem which is growing four times as fast as our expanding population.

Crime has no respect for age, nationality, sex, color or religious creed. It has turned our streets into virtual jungles of terror and fear.

Today, a brutal crime of violence—a murder, forcible rape or assault to kill—is committed every 3 minutes. The number of these senseless atrocities will continue to grow until men of strong moral conviction assert greater influence toward the prevention of crime and administration of justice.

Disrespect for law and order is a tragic moral sickness which attacks and destroys the American traditions of honesty, integrity and fair play. The moral strength of our Nation has slipped alarmingly. National corruption is the sum total of individual corruption. We must follow the teachings of God if we hope to cure this moral illness.

Law and order are bulwarks on which successful government must stand. Without law and order, society will destroy itself.

Fantasy and weakness have too often prevailed in the administration of justice where strength and realism are essential needs.

There are some misguided social workers and judges who have perverted the meaning of mercy. When so-called mercy aids society's enemies, it is no longer mercy. It is sheer stupidity, if not worse. Justice is needed—stern justice. Without such justice our streets—and our families—will continue to be endangered.

Justice is not served when the innocent victim and society suffer while the vicious criminal goes free.

Oliver Wendell Holmes, Jr., observed: "At the present time in this country there is more danger that criminals will escape justice than that they will be subjected to tyranny."

Judge Learned Hand said: "Our dangers do not lie in too little tenderness to the accused. Our procedure has been always haunted by the ghost of the innocent man convicted. It is an unreal dream. What we need to fear is the archaic formalism and the watery sentiment that obstructs, delays, and defeats the prosecution of crime."

Justice Benjamin N. Cardozo observed: "Justice, though due to the accused, is due to the accuser also. The concept of fairness must not be strained till it is narrowed to a filament. We are to keep the balance true."

Let us proceed to try armed robbers as armed robbers. Let the punishment fit the crime and let us "keep the balance true."

Wherever politics and opportunism remain primary considerations in the appointment of jurists, parole officials, and others charged with the administration of justice, the public should have more adequate guarantees for the immediate removal of those who prove by their unjustifiable actions that they cannot be entrusted with the important responsibilities of their offices.

The fact is millions of free Americans are taking our good way of life for granted. They have ceased to care about our foundation stones, the rock from which we were hewn.

Let us never forget that religion has made us what we are, given us what we have. Every good thing we enjoy as free Americans came directly or indirectly out of our belief in God.

Our best offensive against crime, subversion, intolerance, and all enemies of America's heritage of freedom is brotherhood—a brotherhood such as yours, built upon a solid foundation of mutual trust, understanding, and faith in God.

There must be a moral reawakening in every home in our land.

History shows us the great accomplishments that can be attained by the combined efforts of selfless men and women who are sincerely dedicated to a noble cause. We have such a cause in America—to dispel intolerance, to preserve the rule of law, to protect and strengthen our God-given ideals and faith in freedom.

Law and public sanctions help to keep our deeds in line—only conscience polices our thoughts. It is much easier to control our actions than our thoughts.

For, "As a man thinketh in his heart so is he."

Two hundred years ago, our Founding Fathers had a vision of a nation where men could live together and worship together without fear. Today, we hold this same vision—the determination that faith, courage, and decency will prevail over all enemies of freedom.

Since 1753, when the Liberty Bell first tolled at Independence Hall in Philadelphia, it has borne a solemn Old Testament inscription from Leviticus xxv, verse 10:

"Proclaim liberty throughout all the land unto all the inhabitants thereof."

Let us all work together to maintain this great American ideal. With God's divine guidance, let us build an ever more powerful brotherhood of liberty and justice for the benefit of all mankind.

As the Father of our Country so aptly said: "As we declare our loyalty to our country, help us to keep in mind the need of faith in God and immortality without which life is meaningless and vain."

This is our mission as a Nation of free people, united in one faith—Faith in God.

MINNESOTA VOTERS SUPPORT PUBLIC ACCOMMODATIONS LAW

Mr. HUMPHREY. Mr. President, in last Sunday's New York Times magazine Representative CLARENCE D. LONG gave an entertaining and accurate account of the experiences of a freshman Representative. He defined the ideal role of a Representative as comprising two functions—to represent and to lead—both "indispensable if a democracy of ordinary humans is to survive scientific revolutions every decade."

This is a difficult and demanding task—a sort of perpetual analysis and synthesis engaged in cooperatively by the people and their Representatives. I must confess that the good people of Minnesota have often simplified this task for me. They are an electorate which is not led reluctantly to reform, but which positively points the way.

Of course, 100 years has been a long time for the self-education of the American people. That people is now ready to graduate—ready to put into practice the ideals of equal civil rights and opportunities for every American citizen. The Nation's leaders have not always fulfilled their twin responsibility to their electorate—to lead, as well as to represent. But the people are speaking out for strong and meaningful civil rights legislation—they know that it is necessary if democracy is to prosper, if justice is to reign.

In the Minneapolis Sunday Tribune last week, the reliable Minnesota poll indicated that 79 percent of voting Minnesotans are in favor of a public accommodations law. I ask unanimous consent that the results of this survey may be printed in the RECORD at this point in my remarks as another confirmation of public support for this important legislation still pending before Congress.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Sunday Tribune, Dec. 1, 1963]

ACCOMMODATIONS ACT FOR NEGROES BACKED BY 79 PERCENT IN MINNESOTA

Nearly 8 out of 10 voting-age Minnesotans (79 percent) are in favor of a public accommodations law which would require hotels, restaurants, stores, and other public places to accord Negroes the same treatment as they give white people.

Such a state of mind throughout Minnesota is indicated in a public opinion survey conducted by the Minneapolis Tribune's Minnesota poll in November.

Other civil rights viewpoints expressed in the survey include these:

Forty-five percent believe Negroes get fair treatment in obtaining jobs in Minnesota; 34 percent say they do not.

When it comes to buying homes or renting apartments, only one-third of the State's adults (33 percent) think Negroes are treated fairly; 47 percent consider them to be treated unfairly.

Legislation designed to put an end to discrimination and segregation in public accommodations was part of a civil rights package sponsored by the late President Kennedy.

It would, in effect, overrule local custom if interstate travelers are served to a substantial degree, or if a substantial proportion of goods sold, or entertainment presented, is involved in interstate commerce.

This is the way one of the questions was put to a balanced sampling of men and women living in all parts of Minnesota:

"In general, do you favor or oppose Federal laws in the United States to require the same treatment for Negroes as for white people in hotels, restaurants, stores, and other public places?"

The replies:

[In percent]

	Total	Men	Women
Favor such a law	79	74	85
Oppose it	16	21	10
Other answers	2	2	1
No opinion	3	3	4
Total	100	100	100

Minnesotans of all ages, in cities and towns and on farms, and of varied educational

training, all substantially endorse the proposal. College-educated residents are the most affirmative; of that group, 9 out of every 10 express approval.

People also were asked:

"Do you think Negro residents generally do or do not get fair treatment when it comes to getting jobs in Minnesota?"

The responses:

[In percent]

	Total	Men	Women
Do get fair treatment	45	50	40
Do not	34	33	34
Other answers	1	1	1
No opinion	20	16	25
Total	100	100	100

A related question was:

"Do you think Negroes in Minnesota generally are treated fairly or unfairly when it comes to buying homes or renting apartments?"

The answers of all adults questioned and of certain types of people within that group:

[In percent]

	Negroes in Minnesota			
	Treated fairly on housing	Treated unfairly	Other answers	No opinion
All adults	33	47	2	18
Men	34	44	2	20
Women	31	51	2	16
Residents of southern Minnesota	35	38	3	24
Twin Cities area	26	59	1	14
Northern Minnesota	42	38	2	18
Adults with grade school training	35	40	3	22
High school	36	45	2	17
College	20	64	----	16

The Negro population in Minnesota in 1950 was 14,022. By 1960, U.S. census enumerators counted 22,262 Negro residents, a gain of 59 percent in 10 years, but still less than 1 percent of the total State population (3,413,864).

As part of the survey, people were asked:

"Large numbers of Negroes have been moving from Southern States to the North in recent years. Do you think the number of Negro residents in Minnesota during the next few years will increase a great deal, just moderately, or very little?"

The expectations:

[In percent]

	Total	Men	Women
Negro population will increase—			
A great deal	19	18	20
Just moderately	51	49	53
Very little	24	29	20
Other answers	1	1	1
No opinion	5	3	6
Total	100	100	100

Mr. HUMPHREY. Mr. President, this support has been consistently demonstrated in my letters from home. I take this occasion to say to the voters of my State, "It takes a fast pace to keep up with you, but the U.S. Congress is moving. We will pass a good and effective Civil Rights Act."

A TRIBUTE TO PRESIDENT KENNEDY

Mr. HUMPHREY. Mr. President, of the many meaningful tributes which have been paid to our late President, few have so well described what John Kennedy meant to our Nation as the tribute by Emmet John Hughes in Newsweek magazine.

Mr. Hughes has said that President Kennedy strove to do what the founders of our country did—

Studied seriously, spoke articulately, wrote fearlessly, debated rationally, and concluded—intelligently.

All of that is true, but there was more, too, and Mr. Hughes has succeeded in capturing the spirit of John Kennedy, a spirit which, indeed, "belonged uniquely to us" in this generation.

I ask unanimous consent to have Mr. Hughes' article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Newsweek, Dec. 2, 1963]

AN ECHO IN THE SILENCE

(By Emmet John Hughes)

He belonged uniquely to us—to this time and place, to this Nation and generation—and to no other. In all history, what else could he have been, where else be seen, and when else be heard? A Hapsburg prince or a Bourbon sovereign? A minister to Victoria plotting designs of empire? A German Chancellor fretfully patching the Weimar Republic? Or some earlier American President slackly presiding over the 1920's? Each weird image confirms how wholly and how rightly he found his home in this—our—generation. He was ours as the first President to be born in this tempest of our century—to glimpse life during the First World War, to bear the ordeal of the second, and to fight back the darkness of a third. Sometimes it happens so: the instant of history and the instinct of the man appear almost to plot their meeting with secretly timed precision. So it seems with us. We were clearly meant to be together, for this while. And this is why the assassin, as he put a bullet in his brain, also put a scar upon our generation.

He did not find this place with us, of course, because he won universal assent and applause. He won something more important: a recognition of his person and his force. A student of history, he often quoted its earlier scanners, like Edmund Burke, to depict his own nation: "We sit on a 'conspicuous stage,' and the whole world marks our demeanor." And his demeanor indeed was so marked—down to the thrust of a finger and the flash of a smile. A student of the Presidency, too, he repeated the challenge of Woodrow Wilson: "The President is at liberty, both in law and conscience, to be as big a man as he can." We shall never know the laws this President might have signed. But we can be aware of the size of the man.

He cannot yet be measured, and he may never be measured, by the crises or debates that seemed—for fierce, fleeting moments—to stir his Presidency—steel prices and medical care—Peace Corps and managed news—tax reform and test ban—missiles in Cuba and troops to Alabama. Now, all that he did and all that his death left undone seem to matter far less than what he knew—and felt—of himself and of his country.

He understood the Presidency. There was quiet proof of it on one occasion last year—with his formal White House dinner to honor 49 Nobel Prize winners. He warmly hailed the assembled poets and physicists and dramatists, peacemakers and mathematicians. He saluted them as "the most extraordinary collection * * * of human knowledge that has ever been gathered at the White House—with the possible exception of when Thomas Jefferson dined alone." And so he let them know that he discerned the rare sign of Presidential greatness: the steady power to be, to believe, and to decide—alone.

He sensed the cruel paradoxes of democratic leadership, thus dismaying zealots and exasperating simplifiers. He knew a leader must summon his people to be with him—yet stand above, not squat beside, them. He knew that he must try to be resolute without being arrogant, patient without being timid, and compassionate without being maudlin. He detested cant but delighted in eloquence. He could appeal for conciliation without forswearing power. And he could respect ideas without confusing them with deeds, exhort action without unharnessing it from reason and esteem words without becoming infatuated with his own.

He belonged uniquely to us—above all—in his joyful passion for political life. For by this he proved he knew the root and genius of his Nation. He knew it to be conceived and dedicated—not to the propagation of such faiths as once came out of Israel, nor the fostering of the arts of a new Greece, nor the spread of sovereignty in the way of ancient Rome—but to the matchless political art of governing men in freedom. And so he knew, too, that his Nation was born not of an accident of history but of an act of intelligence: the triumph of men who studied seriously, spoke articulately, wrote fearlessly, debated rationally, and concluded—intelligently.

He strove to do as they. And he had some of this on his mind and ready for his utterance as he met death. The speech he never would deliver warned against hucksters of "seemingly swift and simple solutions." He was ready to deplore the confusion of "rhetoric with reality and the plausible with the possible." And he would firmly insist: "America's leadership must be guided by the lights of learning and reason."

He took lively pride in his native Massachusetts, of course, and its men of greatness. So his ear and his wit always and easily recognized the voice of the rebel of Concord, Henry David Thoreau. And he almost surely would have shared the philosopher's judgment, pertinent perhaps even to his own tragedy: "Better a monosyllabic life than a ragged and muttered one. Let it's report be short and round like a rifle, so that it may hear its own echo in the surrounding silence."

He leaves—lastingly—such an echo.

A TRIBUTE TO JACQUELINE KENNEDY

Mr. HUMPHREY. Mr. President, the country is deeply indebted to a great lady, and united in admiration, for the way in which Mrs. Jacqueline Kennedy met the tragedy of the death of her husband.

Her perfect sense of dignity, her bearing throughout the terrible and awesome events of November 22 and the days following touched the hearts of the American people. She moved many of us to tears, to deep affection for her. While keeping her personal grief in check, she has led all America in our national mourning. She has helped us in our despair. This was a woman equal to her husband's greatness.

Theodore H. White, a close friend of the Kennedys and a brilliant writer, has described some of Mrs. Kennedy's feelings. His article should be read by every American.

I ask unanimous consent to have Mr. White's article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOR PRESIDENT KENNEDY: AN EPILOG—FOR ONE BRIEF SHINING MOMENT, CAMELOT

(By Theodore H. White)

HYANNIS PORT.—She remembers how hot the sun was in Dallas, and the crowds—greater and wilder than the crowds in Mexico or in Vienna. The sun was blinding, streaming down; yet she could not put on sunglasses for she had to wave to the crowd.

And up ahead she remembers seeing a tunnel around a turn and thinking that there would be a moment of coolness under the tunnel. There was the sound of the motorcycles, as always in a parade, and the occasional backfire of a motorcycle. The sound of the shot came, at that moment, like the sound of a backfire and she remembers Connally saying, "No, no, no, no, no."

She remembers the roses. Three times that day in Texas they had been greeted with the bouquets of yellow roses of Texas. Only, in Dallas they had given her red roses. She remembers thinking, how funny—red roses for me; and then the car was full of blood and red roses.

Much later, accompanying the body from the Dallas hospital to the airport, she was alone with Clint Hill—the first Secret Service man to come to their rescue—and with Dr. Burkley, the White House physician. Burkley gave her two roses that had slipped under the President's shirt when he fell, his head in her lap.

All through the night they tried to separate him from her, to sedate her, and take care of her—and she would not let them. She wanted to be with him. She remembered that Jack had said of his father, when his father suffered the stroke, that he could not live like that. Don't let that happen to me, he had said, when I have to go.

Now in her hand she was holding a gold St. Christopher's medal. She had given him a St. Christopher's medal when they were married; but when Patrick died this summer, they had wanted to put something in the coffin with Patrick that was from them both; and so he had put in the St. Christopher's medal.

Then he had asked her to give him a new one to mark their 10th wedding anniversary, a month after Patrick's death.

He was carrying it when he died and she had found it. But it belonged to him—so she could not put that in the coffin with him. She wanted to give him something that was hers, something that she loved. So she had slipped off her wedding ring and put it on his finger. When she came out of the room in the hospital in Dallas, she asked: "Do you think it was right? Now I have nothing left." And Kenny O'Donnell said, "You leave it where it is."

That was at 1:30 p.m. in Texas.

But then, at Bethesda Hospital in Maryland, at 3 a.m. the next morning, Kenny slipped into the chamber where the body lay and brought her back the ring, which, as she talked now, she twisted.

On her little finger was the other ring: a slim, gold circlet with green emerald chips—the one he had given her in memory of Patrick.

There was a thought, too, that was always with her.

"When Jack quoted something, it was usually classical," she said, "but I'm so ashamed of myself—all I keep thinking of is this line from a musical comedy.

"At night, before we'd go to sleep, Jack liked to play some records; and the song he loved most came at the very end of this record. The lines he loved to hear were: Don't let it be forgot, that once there was a spot, for one brief shining moment that was known as Camelot."

She wanted to make sure that the point came clear and went on: "There'll be great Presidents again—and the Johnsons are wonderful, they've been wonderful to me—but there'll never be another Camelot again.

"Once, the more I read of history the more bitter I got. For a while I thought history was something that bitter old men wrote. But then I realized history made Jack what he was. You must think of him as this little boy, sick so much of the time, reading in bed, reading history, reading the Knights of the Round Table, reading Marlborough. For Jack, history was full of heroes. And if it made him this way—if it made him see the heroes—maybe other little boys will see. Men are such a combination of good and bad. Jack had this hero idea of history, the idealistic view."

But she came back to the idea that transfixed her: "Don't let it be forgot, that once there was a spot, for one brief shining moment that was known as Camelot—and it will never be that way again."

As for herself? She was horrified by the stories that she might live abroad. "I'm never going to live in Europe. I'm not going to 'travel extensively abroad.' That's a desecration. I'm going to live in the places I lived with Jack. In Georgetown, and with the Kennedys at the cape. They're my family. I'm going to bring up my children. I want John to grow up to be a good boy."

As for the President's memorial, at first she remembered that in every speech in their last days in Texas, he had spoken of how in December this Nation would loft the largest rocket booster yet into the sky, making us first in space. So she had wanted something of his there when it went up—perhaps only his initials painted on a tiny corner of the great Saturn, where no one need even notice it. But now Americans will seek the moon from "Cape Kennedy." The new name, born of her frail hope, came as a surprise.

The only thing she knew she must have for him was the eternal flame over his grave at Arlington.

"Whenever you drive across the bridge from Washington into Virginia," she said, "you see the Lee mansion on the side of the hill in the distance. When Caroline was very little, the mansion was one of the first things she learned to recognize. Now, at night you can see his flame beneath the mansion for miles away."

She said it is time people paid attention to the new President and the new First Lady. But she does not want them to forget John F. Kennedy or read of him only in dusty or bitter histories:

For one brief shining moment there was Camelot.

Mrs. NEUBERGER. Mr. President, my esteemed colleague, Senator HUMPHREY, has called the attention of the Senate to the beautiful tribute paid to Mrs. Kennedy by Theodore White.

I would like to join in expressing my admiration for the epilog and tender lociting of Mr. White. This "Day of Infamy" and its events are here portrayed in literature for the ages.

The PRESIDING OFFICER. Is there further morning business?

Mr. SYMINGTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SYMINGTON. Is the morning hour concluded?

The PRESIDING OFFICER. It will be in a moment. Is there further morning business? If not, morning business is concluded.

Mr. BARTLETT and Mr. SYMINGTON addressed the Chair.

REMOVAL OF CERTAIN LIMITATIONS WITH RESPECT TO WAR RISK INSURANCE UNDER MERCHANT MARINE ACT

The Senate resumed the consideration of the bill (S. 927) to amend title 12 of the Merchant Marine Act, 1936, in order to remove certain limitations with respect to war risk insurance issued under the provisions of such title.

The PRESIDING OFFICER. The hour of 12:30 o'clock having arrived, the Senate under its order of yesterday, will resume the consideration of S. 927, amending title 12 of the Merchant Marine Act, with respect to which there is a limitation of 2 hours' debate, with a final vote on said bill to be taken not later than 2:30 p.m.

The Senator from Alaska is recognized.

Mr. SYMINGTON. Mr. President, will the Senator yield to me so that I may make a statement on the balance-of-payments problem?

Mr. BARTLETT. Yes, indeed. It fits in very well with the subject under discussion.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

SUGGESTED MONETARY SOLUTIONS FOR UNFAVORABLE BALANCE OF PAYMENTS—THE DANGERS IN CONTINUING DEFICIT FINANCING

Mr. SYMINGTON. Mr. President, in three previous statements on the balance-of-payments deficits of the United States I presented first, an analysis of our present fiscal position as a result of the continued accumulation of deficits, second, the causes of this unusual weakness in an otherwise strong U.S. economy, and third, various proposals suggested to remedy this continuing problem of "balance of payments."

There would appear a growing realization, both in this country and abroad, that the ordinary, obvious, and well-recognized means of controlling balance-of-payments deficits are not available to the United States, because each has an undesirable consequence.

If we should raise our interest rates sufficiently to have an effect upon the "outflow of capital" and "internal price levels," we would retard economic growth, and curtail markets for imports from our European allies; but any such action would go contrary to our proclaimed national objective of encouraging economic growth.

On the other hand, if we should curtail imports unilaterally, by quotas and tariffs, our allies abroad would be hurt, and would vigorously oppose any such action.

If we seriously curtailed our foreign aid and military expenditures abroad, our allies in Europe, and also Japan and the Far East, would lose much opportunity to sell their products under our programs; and in any case would be emphatically opposed on political grounds.

Devaluation of the dollar should be ruled out as costly and useless.

Any such devaluation must be considered in two different aspects. First,

in terms of the price of gold; second, in terms of the exchange rates of the dollar in relation to other currencies.

How could other countries permit the unilateral devaluation of the dollar in relation to their own currencies?

The same reason why they would not make unilateral concessions to us in trade negotiations would also apply to unilateral depreciation of the U.S. dollar. Naturally they would consider such depreciation a device to give an artificial and short-term advantage to U.S. exports, at the same time discouraging imports.

The European countries are in no mood to give us such a free and easy ride into their markets. Furthermore, since the basic causes of the U.S. balance-of-payments deficits rests, still, in U.S. Government expenditures abroad, a devaluation of the dollar in terms of other currencies would merely increase the cost of our foreign aid and military operations abroad.

The defensive steps that our allies could, and in all probability would, take would be either to set up tariff and quota limitations on imports from the United States or, more likely, to follow us in devaluing their currencies, in order to maintain the exchange rates around the present level.

In the latter instance, all we would have achieved would be to increase the price of gold. This would give an artificial advantage to those who hold gold, particularly Soviet Russia.

At the present time, two-thirds of the gold supply of the world is in foreign hands. If the price of gold were increased, let us say, from $35 an ounce to $70 an ounce, our $16 billion of gold reserves would go up in value to $32 billion. But the $26 billion of gold reserves held by other countries would go up in value to $52 billion, and all the millions of ounces in private hoards would increase in dollar value commensurately. Then we, the taxpayer, would be forced to pay twice as much to buy this gold back when it was presented to us for sale. Thus, we would merely be increasing our contingent liabilities without receiving any advantage to our exports.

Another advocacy has been that of flexible exchange rates, a secondary recommendation of the Brookings report. But such action appears impractical. World trade cannot operate under conditions where the primary reserve currency has a variable value from day to day. No businessman could make any real plans for investment and trade under such chaotic conditions. The foreign liabilities of the United States would then be variable, from day to day.

It is now clear that the classical solution to balance-of-payments deficits; namely; a recession here in industrial production, employment, and prices, is just not available as a practical solution. It is clear also that increase in exports enough to cover the deficit is not practical and will be resisted by our prospective markets.

Exchange devaluation, and increase in the price of gold, appears to be no solution at all; and flexible exchange rates are unworkable.

There is a growing realization among economists and public officials in the United States, as well as in Europe, that if we try any of these methods, the economic and political consequences would be unpleasant. In fact, there are some indications that many of these people do not indeed wish to see the United States solve this balance-of-payments deficit, except in one way, which is self-serving; namely, to control U.S. private investments in Western Europe.

We have seen, in our previous discussion that U.S. private investments are the one bright item in our balance-of-payments picture, since they bring annually a growing amount of income back to the United States.

But now a great many Europeans would like us to curtail these U.S. investments, because they have become restive in the face of American competition. They foresee that, in the long run, they will have to continue paying interest and dividends to us, which they consider a drain upon their future foreign exchange earnings.

There is a basic conflict of interest, therefore, between the United States and our European allies, insofar as they would like us to continue spending money for these Government programs which are nonrevenue producing; and which nevertheless are also a positive contribution to our balance-of-payments deficits.

The Right Honorable Reginald Maulding, Chancellor of the Exchequer of Great Britain, speaking in Washington on October 1, 1963, at the annual meeting of the International Monetary Fund, said that whatever method the United States adopts in solving the balance-of-payments deficit "may easily have painful results for someone." He went on to say that when a country, like an individual, has a deficit, the only way to solve it is to "earn more, spend less, or lend less."

To earn more, however, he does not approve of the promotion of exports "by artificial means such as subsidies." Furthermore, he welcomed our attempt to solve the balance-of-payments problem by "an expansion of the domestic economy rather than by restraint on its imports."

He continued:

> The remaining moves open to the United States, therefore, can only be reducing oversea Government spending or reducing oversea lending. I think we would all regret seeing a sharp cutback in U.S. aid to developing countries, whether by grant or loan. It is, therefore, in the realm of private capital movements, long- and short-term, that it seems most necessary to find a solution; and this, as I understand it, is how the United States is going about things.

If this represents the general thinking of the financial leaders of Europe, as our gold continues to pour out of this country, it would seem we too must now face up to the problem realistically.

As for U.S. economists who favor doing nothing about the balance-of-payments deficits because they consider any action contrary to national objectives, both here and abroad, their only solution seems to be, as recommended by the Brookings Institution, the continuance of deficits on borrowed money.

The Brookings report, after taking 240 pages in discussing the balance-of-payments deficits, arrives in chapter 9—the concluding chapter on policy recommendations—at the astounding conclusion that "the balance-of-payments deficit itself, however, is not the major source of the international financial problem of the United States"—page 241.

Again, on pages 242–243, the report says:

> It is clear, therefore, that the present problem is not primarily a balance-of-payments problem. More fundamentally, the problem is the basic inadequacy of the international monetary mechanism in relation to the requirements of the free world.

The report continues—pages 243–244:

> Four national objectives that have high priority for the United States would be increasingly threatened by preoccupation with the balance of payments. These are:
>
> 1. Achieving domestic economic stability, and sustained growth at full employment.
> 2. Maintaining the military strength of the free world.
> 3. Promoting and supporting economic development of underdeveloped areas and avoiding injury to the continued growth of other countries.
> 4. Assuring the greatest possible freedom of economically productive international transactions in the free world.

In other words, the problem of the inability of the United States to pay for its current political and military commitments abroad, through current earnings via exports, has been turned, in the abstruse jargon of the international economists and foreign central bankers, into a problem of liquidity.

These latter two groups recommend the establishment of an international bank, or the conversion of the International Monetary Fund into such a bank, which will permit us the continued borrowing and financing of deficits. There is growing support for this view in Europe, in all probability because most European bankers and economists see in such an institution the prospect of our continuing our own deficits, while they in turn build up their surpluses; and these latter surpluses they foresee can be deposited in such an international bank, with interest, and a gold value guarantee.

The net effect of such an arrangement, however, would be for us to get into an increasing amount of debt, at the rate of $3 to $4 billion a year, by borrowing from international sources; while at the same time our creditors could convert their current assets in the United States into time deposits in such an international institution. This would give them a satisfactory rate of earnings, plus maintenance of value of their credits in terms of an "established gold value."

With all due respect to some of my colleagues who last September endorsed such a bank, I cannot accept as beneficial to this country the prospect of a continued increase in the liabilities of the United States to foreign countries and to an international organization.

Supposing this deficit continues, say, for another 10 years. We would build up current liabilities of another $30–$35 billion. On top of our present liabilities of $28 billion, this would put us in debt to the extent of $60 billion, the equivalent of all of our investments abroad.

Our economic policies would then be completely at the mercy of our creditors, be they friendly or unfriendly nations, or "international" organizations.

Frankly, it appears to many of us that the proposals for creating an international bank from which we can borrow, and in which our creditors can deposit their surpluses in exchange for a gold content guarantee, is but a "ruse" for the United States to continue its already overextended program of international expenditures.

It was said in jest that at the end of the 17th century, William and Mary of England discovered the national debt, then built the Bank of England to put it in, for fear of "political economy."

Now we have discovered "international deficits," and are proposing to build an international bank to put them in.

But is this a worthy substitute for the "good housekeeping" necessary to preserve our economic freedom?

This is the fourth talk I have made on this problem of balance of payments. The fifth and final talk, which I shall make next week, will present my conclusions about how we can best attempt to solve this growing problem.

REMOVAL OF CERTAIN LIMITATIONS WITH RESPECT TO WAR RISK INSURANCE UNDER MERCHANT MARINE ACT

The Senate resumed the consideration of the bill (S. 927) to amend title 12 of the Merchant Marine Act, 1936, in order to remove certain limitations with respect to war risk insurance issued under the provisions of such title.

Mr. BARTLETT. Mr. President, in connection with S. 927, debate on which began yesterday, I believe there has been too much misunderstanding and misapprehension about the purposes of this bill. It is not something that was simply dreamed up for somebody's benefit, as has been asserted here on the floor. It is not special privileges for some merchant marine operators. It is definitely not something scandalous, as has been asserted by one opponent of the bill. And as for the imputation that there were some hidden shenanigans involved, because the bill was introduced by request of the association which represents the owners of the 300 vessels which operate under Government subsidy, I can only say that an industry which considers itself unfavorably affected by a statute has every right, and, indeed, has a solemn duty to its thousands of stockholders, to try to have the situation corrected.

Let me say here a word or two about the whole question of maritime legislation. After some years of close connection with legislative efforts in this field, and after many hearings on maritime proposals of every sort, I can say with the utmost sincerity that the maritime statutes are about as complex, and as little understood by persons outside the industry, as any laws on the statute books. And this statement has particular application with regard to this bill which would amend the section of the 1936 act dealing with war risk insurance coverage for vessels built with construction subsidy.

At the outset, let me say that the whole question of construction subsidy for vessels is fraught with misconception by opponents of the bill. Foremost among these opponents is the Federal departments, which bases their opposition to this and other maritime proposals on a mistaken concept of the purpose and effect of Government's subsidy payments to the shipyards where these vessels are built.

However, in connection with the Federal department's opposition there has been a kind of revolutionary change between 1962, when a similar bill was introduced, and 1963. At the earlier hearings the Government opposed any change whatever in the present law. When hearings were held on S. 927, in April of this year, the Maritime Administration came part way. The Maritime Administration changed its view, and agreed to one amendment in the law, and even urged the adoption of the amendment. The same situation existed with respect to the Comptroller General, who said in his report that in the year's interval between his consideration of these two bills he, too, had come to the conclusion that in one particular respect the law ought to be amended.

I suggest that, given another year, probably all Government departments will be in favor of the bill in the form in which it is now before the Senate. I do not choose to wait that long. I prefer to have the Senate exercise its independent and proper judgment.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. BARTLETT. I yield for a question.

Mr. LAUSCHE. Does any department of Government, connected with the merchant marine, support the bill?

Mr. BARTLETT. Not in its entirety, but partially, in the manner in which I have just related.

Mr. LAUSCHE. Is it not a fact that the Department of Justice opposes the bill?

Mr. BARTLETT. The Department of Justice opposes it on the basis of a mistaken consideration, to which I will allude soon. The Department of Justice could not be more wrong in its report on the bill.

Mr. LAUSCHE. Is it not also a fact that the Comptroller General opposes the bill?

Mr. BARTLETT. In part only. He opposed it altogether in 1962. In 1963 he opposes it only in part.

Mr. LAUSCHE. Mr. President——

Mr. BARTLETT. Mr. President, I must decline to yield further. I have a statement of some length to make. The Senator from Ohio [Mr. LAUSCHE] and the Senator from Delaware [Mr. WILLIAMS], opponents of the bill, have an hour of debate allotted to them, I believe. I have already yielded 15 minutes to the Senator from Missouri [Mr. SYMINGTON] on another matter.

Mr. LAUSCHE. Mr. President, will the Senator yield for a 5-second statement?

Mr. BARTLETT. If the Senator from Delaware will assure me that I may have a comparative length of time yielded to me from his time.

Mr. WILLIAMS of Delaware. Certainly.

Mr. LAUSCHE. Every department of Government opposes the bill. The only ones in favor of it are the beneficiaries. It is a windfall for them. It is a giveaway. In my opinion it is scandalous.

Mr. BARTLETT. That is not entirely accurate. Let me read from the report made by the Comptroller General:

> We heretofore have not agreed with somewhat similar proposed legislation primarily on the premise that the proposed basis of valuation for war risk insurance for a subsidized vessel would be inconsistent with the basis of compensation allowed for the same vessel if requisitioned for title pursuant to section 802 of the act. However, upon further consideration of the matter, and particularly with reference to the pending bill—

I call the attention to the Senator from Ohio to this—

> we have concluded that certain changes in our views are warranted for the reasons hereinafter set forth.
>
> It is our understanding that one of the primary objectives of title 12 of the act, and specifically section 1209, was to encourage continuance of regular private maritime service during periods of hostile action in order to sustain U.S. foreign commerce and the interests of the Government in such hostile areas. It would appear, therefore, that the attachment of Government insurance upon termination of commercial insurance due to events not controllable by shipowners should not operate to place the shipowners in a different position from the standpoint of collectible insurance in the event of loss from that existing when they were under commercial insurance coverage. Accordingly, we believe that repeal of that portion of section 1209(a)(2) of the act requiring the reduction of insurance valuation for the period prior to requisition for use would be equitable and proper.

Therefore, this important agency does not oppose the bill in its entirety, but actually supports as equitable and proper one of the two changes proposed to be made by the bill.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Alaska continue to read?

Mr. BARTLETT. I shall continue to read from my prepared statement.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Alaska yield to permit me to read further from that letter, on my own time?

Mr. BARTLETT. I gladly yield for that purpose.

Mr. WILLIAMS of Delaware. I shall continue to read from the point where the Senator from Alaska stopped:

> With respect to the period of insurance subsequent to requisition for use, we believe, that the circumstances of such requisition are essentially the same as those underlying requisition for title. That is to say, ordinarily, a ship requisitioned for use is no longer carrying on commercial business for the shipowner in its regular trade service. To the contrary, the vessel is completely under the jurisdiction of the Government for purposes of operation. Thus, in terms of physical possession and operating control, the status of a vessel requisitioned for use and one requisitioned for title appear to be analogous. In our opinion, to fix an insurance valuation on a ship requisitioned for use different from the value which would be given the same ship if it should be requisitioned for title would be inconsistent with section 802 of the act. Therefore, we do not

favor the repeal of that portion of section 1209(a)(2) limiting the insurance valuation of a construction-subsidized vessel for the period after requisition for use to an amount not in excess of that which would be payable under section 802 in the case of requisition for title.

Mr. LAUSCHE. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from Ohio from my time.

Mr. LAUSCHE. The last sentence which the Senator from Delaware read is the crux of the position taken by the Comptroller General; that is, that the Comptroller General does not favor the proposed change in the valuation of the vessel to be insured.

Mr. WILLIAMS of Delaware. That is correct. The Comptroller General, as pointed out by the Senator from Alaska [Mr. BARTLETT], said there may be some merit to a consideration of the revision, and made suggestions; but those suggestions were not accepted by the committee, and the Comptroller General, in the next to the last paragraph of his statement, said:

Therefore, we do not favor the repeal of that portion of section 1209(a)(2).

So, as the Senator from Ohio pointed out earlier, the Comptroller General, the Department of Justice, and other agencies dealing with maritime affairs oppose the enactment of the bill on the basis that it would give larger benefits to the industry.

Mr. LAUSCHE. Mr. President, will the Senator from Delaware yield for a minute?

Mr. WILLIAMS of Delaware. I yield to the Senator from Ohio from my time.

Mr. LAUSCHE. The Senator from Delaware did not mention the Department of Commerce. The Department of Commerce, which is in charge of the Maritime Commission, is vigorously opposed to the bill.

Mr. WILLIAMS of Delaware. That is correct.

Mr. LAUSCHE. It has said that a windfall or a gift would go to the operators of the merchant marine. How we can pass the bill in the face of the opposition of three important departments of the Government is beyond my understanding. I suppose it will be passed, however.

Mr. BARTLETT. I trust so, because it is a good, proper, and equitable bill. I fear that the Senator from Delaware and the Senator from Ohio missed the point I was trying to make; that is, that the Maritime Administration and the Comptroller General have come a long way since the consideration of the 1962 bill. Both today recognize that some changes would be proper and the Committee agreed with the Comptroller General in respect to valuation before requisition.

Congressional policy on this point, which of course is national policy, was laid down in the Merchant Marine Act of 1936. Therein, after several years of study of maritime problems, a study begun at the instance of President Franklin D. Roosevelt, Congress decreed that there was need of a merchant marine that would be adequate to the needs of the Nation's commerce and its defense, and that the vessels comprising this merchant marine should be constructed in the United States.

Congress was aware, at that time as well as now, that costs of shipbuilding in the United States were considerably higher than costs in foreign yards, so in the same 1936 act it provided a construction differential subsidy to offset this cost differential. This construction subsidy, Congress directed, would be paid directly to the shipyards. By this means, Congress moved to assure maintenance of a domestic shipbuilding industry, which could deliver vessels to American owners at approximately the same costs for which these owners could build abroad.

Is this a handout to the shipowners, as is all too often alleged? It is not. The Senate Commerce Committee report accompanying the 1936 legislation makes this point clear. This is what the 1936 report says:

The financial assistance required to adjust the construction differential is for the purpose of equalizing the difference between American and foreign cost. It is not paid to the ship operator. It is paid to the shipbuilder and represents the difference in cost between the American and foreign ship from which American labor benefits. * * * A ship that would cost $1 million if built in the United States and $600,000 if built abroad is worth just $600,000 in foreign trade. The shipowner does not "get a million-dollar ship" as is stated, because its utility value is $600,000. American labor benefits from the difference, not the shipowner.

The operating subsidy paid to the shipowner, the 1936 Senate Commerce Committee report further makes clear:

Is not, in any sense of the word a subsidy. The amount of this so-called operating subsidy is primarily limited to a repayment of sums of money which he has already disbursed in payment for the American labor employed upon his American ship and for the American materials required in its maintenance and operation. This labor and these materials cost more under the American flag than they would have cost under a foreign flag. The repayment * * * is merely an equalization of his American costs as against the costs of foreign-flag operation.

There can be no profits to the ship operator in the repayment to him of these out-of-pocket excess expenses which he has already incurred. For this reason, many of the restricting and limiting provisions in this bill may seem unnecessary, but are inserted to make sure that there can be no recurrence of the alleged abuses made possible by deficiencies in the act of 1928. It is the purpose of this bill—

I am reading from the report on the 1936 bill—

To endeavor to place the American owner and operator of an American-flag ship on a competitive party with his foreign-flag competitor. "Parity" carries with it no guarantee of profits, and if there are to be any profits, they must be made in competition with foreign shipping.

With this concept in mind as to what Congress intended in the way of aid to American shipping when it passed the Merchant Marine Act of 1936, let us see what the bill now before the Senate proposes to do. It simply proposes, as did the identical bill passed by the Senate last year, to put owners of vessels built in U.S. yards on a par with owners of foreign and U.S. unsubsidized vessels as to coverage under war risk insurance. These vessels built in U.S. yards are penalized by present war risk insurance statutes because of the mistaken claim that the subsidy paid to the shipyard somehow or other added to the value of the vessel. This is not so. A vessel costing $10 million in a U.S. shipyard, on which a subsidy of $5 million is paid to the shipyard, does not become thereby a $10 million vessel.

It is a $5 million vessel, because its counterpart could be built in a foreign yard for $5 million, and that freely available foreign cost determines its value in the world market. So to suggest that owners of such vesels want coverage beyond their $5 million cost is both unfair and absurd.

Nevertheless, the Government insists that the insurable value of a vessel costing $10 million, of which Government contributed half to the shipyard, cannot be insured—and in my opinion this is most unfair—in its first year at its $5 million owner's cost and world market value, but must be content with a $2,500,000 insurance coverage. And when Government insists, as it does with respect to the SS *America*, a passenger liner known favorably to thousands of American travelers, that it must be insured commercially for $6,400,000 in peacetime, but must be content with a $437,000 reimbursement if lost in Government war service, I say the statute responsible cries for such revision as that proposed by means of this bill. The testimony of the Deputy Maritime Administrator, to be found on pages 3 and 4 of the committee report, illustrates clearly how inequitably owners of subsidized vessels are being treated, because of a subsidy payment which does them no good at all.

To sum up: The construction subsidy paid to a shipyard does not increase in any degree the value of a vessel built there, and to attempt to justify the present reduced coverage allowed on vessels built in a subsidized shipyard is manifestly unjust. This is specially so when owners of vessels built in foreign yards, who do nothing to maintain America's shipyard facilities, are permitted full war risk insurance coverage.

Mr. President, to my way of thinking, that is a very important point. The foreign ship, flying a foreign flag, can obtain from our Government, full war risk insurance, whereas an American-built ship, constructed under a U.S. Government subsidy, with American dollars, and flying the American flag, and employing an American crew, cannot obtain the same coverage.

I repeat, Mr. President, that the intent of the Congress in 1936 is being subverted when vessels built in line with congressional maritime policy are penalized and restricted, while other owners, who contribute nothing to shipyard maintenance, are given far better treatment.

As chairman of the subcommittee which handled this bill last year, when it received Senate approval, and again this year, I say in all sincerity that S. 927 should be passed by the Senate and sent to the House in time for it to act upon the bill during this Congress.

Mr. President, reference has been made to the attitude of the Department of Justice in connection with the bill. In that connection, I read from the committee report, a copy of which is on the desk of each Senator:

Nowhere is the unsoundness of the Government's position with regard to war risk insurance more clearly shown than in the report of the Department of Justice on this bill. In justification of the Department's opposition to enactment of S. 927, the Deputy Attorney General, Nicholas deB. Katzenbach, states:

"Title XII of the Merchant Marine Act, 1936 (46 U.S.C. 1281–1293), permits the Secretary of Commerce to insure vessels and cargo against war risks when such insurance is not obtainable on reasonable terms and conditions from private domestic underwriters. Section 1209 (46 U.S.C. 1289) limits the valuation of such vessels for war risk insurance coverage to 'just compensation,' but provides that such valuation must be reduced in the case of a vessel constructed under Government subsidy by such proportion as the subsidy paid bears to the entire construction costs. Thus, the valuation of a vessel constructed under a 50-percent subsidy must be reduced for war risk insurance coverage by 50 percent of its total value.

"The bill would eliminate the provisions of existing law requiring vessel valuation reductions in the cases of vessels constructed under Government subsidies. This would result in placing subsidy beneficiaries in a more favored position than all others. They would be entitled to obtain full insurance coverage even though a part of the value of their vessels is derived solely from subsidy grants. The resulting potential windfalls appear to be neither necessary nor just."

With regard to paragraph 1, cited above, an anomalous situation has developed, as reported by one vessel operator (and his case is not unique, by any means) in a statement to the subcommittee:

"I cite the insurable value (depreciated value) at December 31, 1961, of the five C–2-type vessels owned by my company, all of which were built with construction-differential subsidy, and the insurable value of these vessels had they been built without construction subsidy. At December 31, 1961, the depreciated value of these vessels was $906,750, while the commercial (just compensation) value on that date was $4,189,465. This valuation was made by * * * the leading vessel's appraiser in the East."

With regard to paragraph 2 of the report, it is simply not so that, "They (owners of vessels constructed under Government subsidy agreements) would be entitled to obtain full insurance coverage even though a part of the value of their vessels is derived solely from subsidy grants."

When the Government pays to a shipyard $5 million toward a vessel which costs the ship operator another $5 million, it contributes absolutely nothing to the world value of the vessel.

Mr. President, I try to make this point again and again and again; namely, that the Government subsidy does not make that vessel worth a penny more for the world market.

I read further from the committee report:

Its world market value is not $10 million. In fact, it is worth somewhat less than the value of an identical vessel built in a foreign shipyard for $5 million. The reason for this is that the ship built with construction subsidy has certain costly restrictions placed upon it as a result of Government's assertion of virtual part ownership.

Mr. President, let me inquire whether the Senator from Delaware desires to use a part of his time at this point.

Mr. WILLIAMS of Delaware. Yes, when the Senator from Alaska completes his remarks. The Senator from Ohio wishes to have me yield time to him.

Mr. LAUSCHE. Mr. President, I ask unanimous consent that at this time there may be a quorum call, and that the time required for it not be charged to the time available to either side under the agreement.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LAUSCHE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUSCHE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUSCHE. Mr. President, I shall proceed for 10 minutes.

Mr. BARTLETT. Mr. President, let me ask whether the Senator from Ohio is to speak for 10 minutes in the time of the Senator from Delaware.

Mr. LAUSCHE. That is correct.

Mr. President, at the very beginning, I wish to state emphatically that this bill has been requested and promoted primarily by the navigating companies which would be benefited by it. The benefits in case of war would be great. No department of Government favors the bill. It was not initiated by the Department of Commerce, the Maritime Board, the Comptroller General or the Department of Justice. It was initiated by the navigation companies, which want a windfall and a gift at the expense of the taxpayers.

A feeble attempt has been made to refute the statement which I have made. It is contended that when the Attorney General opposed the bill, he did not know what he was talking about. It is contended that the language of the Comptroller General does not express opposition to the bill.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. BARTLETT. I should like to say briefly that I did not make that statement at all.

Mr. LAUSCHE. The final paragraph of the statement made by the Comptroller General specifically and clearly states that the provisions of the bill are not sound.

I am not deluded in thinking that I can stop the passage of the bill. I know it will be passed. But it should not be passed. It would be a theft from the taxpayers, and nothing less.

How can Senators justify voting for the bill when every branch of Government is against it?

The bill was before the Senate some 7 or 8 months ago, and it was then withdrawn from consideration. It had to be admitted that the only ones for it were the navigation companies that would obtain a great windfall. The Attorney General specifically uses the word "windfalls."

In a letter dated July 12, 1963, written by Nicholas Katzenbach, Deputy Attorney General, it was stated:

The bill would eliminate the provisions of existing law requiring vessel valuation reductions in the cases of vessels constructed under Government subsidies. This would result in placing subsidy beneficiaries in a more favored position than all others. They would be entitled to obtain full insurance coverage even though a part of the value of their vessels is derived solely from subsidy grants. The resulting potential windfalls appear to be neither necessary nor just.

That is a serious statement to make. If next year I were to go back to the State I represent to seek reelection and had to face the argument that I voted for the bill; and, furthermore, if I had thrown at me the opinions expressed by the Comptroller General, the Attorney General, and the Department of Commerce opposing the bill, and then I were asked, "Why did you vote for it?" My answer would have to be that I voted for it because the merchant marine—the navigation companies—asked for it.

I might be asked, "Did the Attorney General of the United States say that it was unjust?" If I answered truthfully, I would have to say, "That is exactly what he said."

Yet Senators have the audacity to press the bill through the Senate.

I will soon have finished my job in an endeavor to stop it; but, I assure Senators that in the solitude of my room tonight I shall begin to wonder about our conscionable response and our moral approach to problems.

What testimony, except that of the interested parties supports the bill? The Attorney General has no interest in it. He opposes it. The Comptroller General opposes it. The Department of Commerce opposes it.

What is the testimony opposing the bill given by the Department of Commerce? I will discuss it briefly within the time allowed.

On page 6 of the testimony Mr. Gulick, representing the Department of Commerce, is reported as saying:

We would like to answer some of the arguments industry made last year on behalf of an identical bill. One of these arguments is that we require commercial marine hull insurance on the *America* in the amount of $6,400,000, but that the *America* is eligible for Government war risk insurance only at the amount of about $450,000, and that these values are disproportionate. We think these different values reflect different conditions with regard to the probability of war and, therefore, with respect to the probability of the requisitioning of the ship at the $450,000 price.

Commercial war risk insurance—

That is, insurance bought from private companies—

is terminated upon the outbreak of war between the powers mentioned and it excludes loss resulting from an event that occurs within 90 days of the outbreak of war which leads to the war.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. LAUSCHE. Mr. President, I ask unanimous consent that I may proceed for 5 additional minutes.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 5 additional minutes.

Mr. LAUSCHE. The moment the signs of war appear private companies would be allowed to cancel the coverage. The private company would insure in the amount of the market value of the ship, but under the present War Risk Insurance Act the coverage can be only in accordance with the book value. Why? When the ship operator received his subsidy from the taxpayers of the United States—amounting practically to 50 percent of the cost of the ship—and when the Government promised, in the operation of the ship, that the taxpayers would subsidize the operators in an amount equal to the difference between what would be the operating cost if foreign workers were hired and the cost incurred in hiring workers in the United States, it exacted from the navigation company the promise that in case of war the Government could take that ship back. It would take it back on the basis of the depreciated value on the books of the company.

This is not mentioned in the discussions. Each year the ship is depreciated. While it is being depreciated, a construction fund is being established. The construction fund is intended to be equal to the depreciation which has been granted. So, while the ship is being depreciated in value, the reserve construction fund is being built up.

This morning I asked questions on this subject. One of the witnesses, who appeared on another matter, gave a figure of $26 million of construction reserve built up by the company being discussed. He said he was not sure the figure was correct, and I am not saying it is the correct amount, but the fact is that a construction reserve is being built up.

Where does that lead? The Government, by its operating subsidy, has helped to build up the construction reserve. As the construction reserve is built up, the ship is depreciated in value.

The proponents of the bill want the company to keep the construction reserve, which has become a substitute for the loss of value of the ship; and, in addition, if the ship is sunk in war, to have the market value paid for it.

That is what the Attorney General had in mind when he said:

> This is a windfall—unjustified and improper.

When company A appears before the Government, it says, "I want you to put up 50 percent of the money to build my ship. I want you to subsidize the operation of it."

The applicant promises, "If you will do this, Uncle Sam, in case of war, I will allow you to requisition the ship on the basis of the depreciated value of the ship."

The bill contemplates setting aside such an agreement.

The bill would provide that if the ship were sunk, in spite of the fact that the Government subsidized the operation and helped to build up the depreciation fund, the policy of insurance would be in an amount to cover the market value rather than the depreciated value of the ship.

If company X, on its own, wished to build a ship—to pay the entire price and to pay the full operating cost—it could obtain coverage on the basis of the proposal made in the bill. On the other hand, if company A should ask for a subsidy and get it, under the law it could obtain reimbursement under a policy of insurance only in the amount of the depreciated value.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. LAUSCHE. Will the Senator yield me 1 additional minute?

Mr. WILLIAMS of Delaware. I yield the Senator 1 additional minute.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 1 additional minute.

Mr. LAUSCHE. I repeat that I have no delusions. I know what is in the making. The Senate might as well proceed to a vote now.

Someday this practice will come to an end. The public will not stand for it. Someday there will be a rebellion. We, by our conduct, set the standards of morality for our youth. Our youth will imitate us. To the extent that we abuse ethics and justice and decency we ruin the character of the youth of our country.

I yield the floor.

Mr. WILLIAMS of Delaware. Mr. President, may I inquire as to the status of time remaining on both sides?

The PRESIDING OFFICER. The proponents of the bill have 25 minutes remaining. The opponents have 41 minutes.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 10 minutes.

Mr. WILLIAMS of Delaware. I should like to suggest to the Senator from Alaska that before the debate is closed there be a quorum call, and that a limited amount of time be reserved for each side after a quorum is developed. Is that agreeable?

Mr. BARTLETT. I did not hear the Senator's request.

Mr. WILLIAMS of Delaware. After I use about 10 minutes of my time, I suggest that there be a quorum call and that each side reserve approximately 10 minutes, to be used after a quorum is developed.

Mr. BARTLETT. That is agreeable.

Mr. WILLIAMS of Delaware. Mr. President, I know of no stronger argument which could be used against the bill than that cited by the Senator from Ohio when he read the letter from the Department of Justice, wherein the Department denounced this proposal as an unwarranted windfall for the benefit of one special industry.

I serve notice now that a motion to recommit the bill will be made, and I am confident that, when the vote is taken, the bill will be sent back to the committee.

There can be no justification for a bill which is opposed by every segment of the executive branch as a giveaway program. As has been pointed out, the Department of Commerce takes a position of strong opposition to the bill on the basis that it is unfair. The Department of Justice denounces it as a windfall. The Comptroller General likewise has denounced it, and has recommended that the bill be defeated on the basis that it would be unfair to American taxpayers.

Certainly there can be no justification for passage of the bill in the face of such opposition.

The Department of Commerce, in its testimony, stated that it knows of only one group in favor of the bill—the maritime industry itself. I shall quote Mr. Gulick, the representative of the Department of Commerce. When asked a question as to who was in favor of the bill he answered:

> My understanding is that this comes from the shipowners who desire, instead of a reduced insurance payoff, representing roughly their depreciated contribution to the cost of the ship, they desire a current-market-value payoff, which would be considerably higher.

Continuing, on page 11 of the hearings Mr. Gulick said:

> We see no reason for the Government to pay the shipyard—using the 50 percent rate—half of what it cost to construct a ship today and then, under the war risk insurance program, pay that same 50 percent again to the owner when the ship is lost. The law provides for the replacement of that ship.

I know of no stronger statement that could be made than this. Why should the shipowners whose ships are being subsidized 50 to 55 percent by the American taxpayers be allowed to insure them at Government risk for the full market value of the ship? In the event of war they would obtain the full market value if the ship were sunk. That is wrong.

I fully agree with the principle that during a time of war the Government must take over the war risk insurance. The private insurance companies could not do it, but that does not mean that the taxpayers, who underwrite the Government's war risks, should allow a shipowner to insure that portion of a ship for which he never paid in the first place. Remember, the owners only paid one-half of the value of the ship under the construction subsidy program. Why should the owner be allowed to insure the ship and to collect on the basis of full value?

As the Department of Commerce so ably points out, the law already provides for the replacement of the ship in the event of destruction.

The argument has been made that when the ships are taken over by the Government they are taken over at prices substantially lower than world value. Certainly, they are taken over at lower prices. They are supposed to be. That is a part of the agreement entered into when the shipowner signs a contract with the Government asking the Government to pay for one-half the cost of construction of the ship.

I wish to quote the basic reason advanced in support of the subsidy in the

first place. I quote Mr. Gulick, General Counsel of the Department of Commerce, in his testimony on the pending bill. I read from page 7 of the hearings:

> The Merchant Marine Act of 1936 also makes it possible, by Government aid, for American owners themselves to acquire ships which are the product of American labor. Without such aid the ships could not have been acquired. For this support of the owners by the Government, the Government gets certain ownership rights. They are three, and they run with title to the ships by law.
>
> They are: One, the right to control disposition. The construction-differential subsidy ship can be sold only to a company which will document the ship under the U.S. flag for the first 25 years of its life.
>
> Two, the right to control the use of the ship. The CDS ship must not only be operated in foreign trade, it may not be operated in domestic commerce, except within the limits provided in section 506 of the act. If it is so operated within those limits, a fixed percentage of the CDS is forfeited.
>
> Three, the right to reacquire the ship by requisition. The Government retains the right to regain ownership at a fixed price. These ownership rights affect the ship's value for war risk insurance purposes and may not be ignored. There is a fundamental difference between commercial war risk insurance and Government war risk insurance.

That was the basis of the whole argument. If war breaks out, we then permit insurance only on that portion for which the shipping company paid.

It is recognized that in the event of war the market value of ships rises substantially. There is a tremendous world demand for use of these ships, and naturally, there is a sharp increase in market value. Why should we engage in a Government subsidy program, in which the cost of construction of these ships is subsidized, unless the Government can get those ships in the event of war. The provision of the contract is that the Government may take those ships over in the event of war. Now, by a backdoor method, it is proposed to give the shipowners an opportunity to cash in on war inflated prices.

I agree with the Department of Justice, which denounced this bill as an unwarranted windfall for the shipping industry. The bill should be defeated.

If the bill passes, however, rather than describe it as an amendment to the War Risk Insurance Act, I suggest that it be called the No. 1 windfall of the 1963 Congress.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. If the amendment should be agreed to, would a shipowner be entitled to buy insurance from the Government on a coverage basis equal to the market value of the ship in a period of war—which, of course, means, greatly enhanced prices?

Mr. WILLIAMS of Delaware. That is correct.

Mr. LAUSCHE. Because of the grave need for ships in war, the market value changes. The owner, though he had invested in the ship a negligible amount of money, would be entitled to insurance from the Government on the basis of the market value. Is that correct?

Mr. WILLIAMS of Delaware. That is correct. The argument for the bill is based on the premise that shipping companies which build ships without benefit of a Government subsidy and operate them without any subsidy would get the benefit of the inflated prices as a result of war. Why should they not get it if they constructed and operated the ships with their own money? But in this case the ships will be constructed with taxpayers' money for 50 or 55 percent of the cost of construction. They want an operating subsidy, but they want the Government to forfeit its right to a claim on the ships in the event of war.

If that is done the subsidy program should be abolished, and the industry itself should pay for the entire construction of the ships. In that event I would have no objection to having the ships insured for full value. But if they want the taxpayers to pay half of the construction cost they should not expect the Government to pay for the full value of the ship in the event of war and the sinking of the ship. Remember that the company would have put up only 45 or 50 percent of the cost of the ship to start with.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILLIAMS of Delaware. I yield myself 5 additional minutes.

Mr. LAUSCHE. Mr. President, in the hearings this morning I asked the representative of the United State Lines, which is the owner of the ship which has been discussed, to submit a tabulation of the operating subsidies received since 1948.

The operating subsidy in 1962 was $5,023,000. That is the amount our Government paid to the United States Lines to hire employees, make repairs, and in part set up a depreciation fund.

In 1961 the subsidy was $3,811,000.

In 1960 it was $4,217,000.

In 1959 it was $4,417,000.

I would say the average was $4 million.

Is it not a fact that it is the subsidies for operation and construction that cause a shipowner to promise that in the event of war he will turn over the ship at its depreciated value?

Mr. WILLIAMS of Delaware. Certainly. That is the basis of the argument for the whole subsidy. If they are to be released from this obligation and be allowed to collect the full value of the ship in the event of war we may as well let them pay for the ship in the first place.

Under the construction subsidy we pay 50 to 55 percent of the construction costs. The Government also pays a subsidy for the operation of the same ships. But after a war is over, after the ships have been taken over by the Government, they are often sold back to the same shipping interests at prices which appear to be utterly ridiculous.

Yesterday I cited an example of two ships which were sold after World War II. These two ships were sold for only $17,000 each, yet the ships were fully capable of sailing the ocean.

I cited the case of three other ships, the *Mount Mansfield*, the *Scott E. Land*, and the *Louis McHenry Howe*, which were completed in 1946. They cost the U.S. Government respectively, $7,733,694, $7,802,672, and $9,125,039.

They were new ships, C–4's, which were built at the end of the war. They were not battle-scarred ships at all. They were sold as surplus ships to private owners. What did the Government receive for those ships, which had cost over $24 million? When those ships were sold, the American taxpayers received $102,944 each, or a grand total of $309,000 for three ships which only 2 or 3 years before had cost the Government $24 million.

However, there was a proviso in their sales contract that in the event of war the Government could requisition these ships on the basis of their sales price.

Should they be lost in the war, they would have been insured under the Government's war risk insurance for not to exceed this low sales price.

In other words the Government did not want to pay for them twice.

If the pending bill had been in effect and if war had broken out, the companies could have insured them not for the cost price but for the full world market value. In this case it would have been around $25 million for the three ships.

I do not believe that the Senate will pass any such bill to give any industry, whether it be the shipping industry or any other industry, such a windfall. If it does so, it might as well give the shipping industry the key to the Treasury and tell it to take out what they want.

In my opinion there has never been a more ridiculous proposal brought before Congress than the bill under consideration today.

In the case of the ships to which I have referred, of course there was a clause in the contract that the ships could have been taken back by the Government. Why should there not have been? That, incidentally, was one of the arguments that was used for this ridiculously cheap sales price. In other words, the Government could take the ships back at the same price less normal depreciation in the event of war.

Now, however, under the pending bill, it is said, "Oh, no. If we do not take them back we want you to have an opportunity to insure them at the expense of the taxpayers for the full world market value."

And if the ships are lost they would be paid for by the taxpayers on the basis—not of what they cost the shipowners—but on the basis of the inflated world market price in wartime.

That is the issue before us. In the particular case that I have reference to, if this bill had been passed, the owners would have collected $10 million apiece if the ships had been sunk. The Justice Department was mild when it called this a "windfall."

Why put a premium on a situation in which a man can make a great deal of money if the ship is sunk? Those who man the ships are not going to make any money if a ship goes down. They may lose their lives. The shipowners have no right to insure any of the ships at the expense of the taxpayers in a manner

whereby they can reap these huge windfall profits.

At the appropriate time I shall move that the bill be sent back to committee.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. I commend the Senator for his forceful argument. I should like to spend a minute on the three ships which the Senator has mentioned. After the war they were sold to private operators at a cost of how much?

Mr. WILLIAMS of Delaware. They were sold for $102,944 each. The ships cost the U.S. Government, in the first place, for one, $7,733,694; for the second one, $7,802,672; and for the third ship, $9,125,039.

Those were not old, obsolete ships. They were C–4's, built in the Bethlehem yards at Baltimore in 1946. They came off the ways after the war was over. They were authorized for construction during the war, but they were not battle-scarred ships by any means.

I am glad the Senator brought up this question again because I overlooked one important point. When I took up this subject some time ago, in 1951 I believe, I found that the same company which had agreed to buy the three ships for $309,000 had arranged to borrow money from the Government of the United States, using the ships as collateral. The Government at that time had approved a loan of $4,950,000 on the same three ships, for which they were paying only $309,000. We stopped the loan, but we did not stop the sale.

Now, here today it is proposed to pass a bill allowing such a company, having bought these ships at such bargain prices, to insure them with the Government for the full world market value in time of war.

Mr. LAUSCHE. In connection with the three ships that were bought at that palpably low price, the buyers promised the Government that in the event of war the Government could requisition them at depreciated value. Is that correct?

Mr. WILLIAMS of Delaware. Yes. The Government, under a clause in the sales contract, could in the event of war take them back at the price at which they had been sold, subject to normal depreciation.

That was one clause. Then under the War Risk Insurance Act the ships could have been insured for an amount not to exceed the cost. However, if the pending bill is passed they could insure these ships at the wartime full value, which would be at least $24 million.

Why should the Government insure a ship for $10 million when just a few months prior thereto they had sold the same ship for $103,000?

Mr. LAUSCHE. That is what the Senate is urged to approve.

Mr. WILLIAMS of Delaware. That is what Senators are urged to vote for here today. The question is whether this No. 1 giveaway act of 1963 should be passed.

Mr. LAUSCHE. I only wish that the people of the United States could see on television what is going on here and what is sought to be done. However, it is not our good fortune to have television broadcasts of Senate sessions.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. JAVITS. Mr. President, what the Senator from Ohio has said has brought me to my feet, because I have tried very hard to have television broadcasts made of Senate sessions. I have tried to have television services installed, just as we have newspaper reporters covering our sessions, to show what the Senate does. I have introduced bills, and I have tried to do something about this before the Committee on Rules and Administration. I have always been frustrated by the fear that to permit such a procedure somehow or other would destroy the dignity of the Senate.

Therefore I was very much pleased to hear the Senator from Ohio, in his spontaneous way, with which he has become so well identified, almost wrench me from my seat to join him in trying to have our people see what goes on in the Senate. I join him in his expressions; and I will do what I can to bring about that situation. I have already tried, by introducing a bill, to have a loudspeaker system installed in the Senate, with microphones placed in our ink wells, or in some other conspicuous place on our desks. That bill is still languishing in committee.

We talk about modernizing our procedures. Yet we refuse to take advantage of even the most simple electronic means for getting across to the country what we have to say, for the benefit of the people who send us here to do the job for which we are delegated.

I thank the Senator from Delaware for yielding to me.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. AIKEN. The arguments of the Senator from Ohio and the Senator from Delaware leave me a bit nostalgic, because when I first came to the Senate and for several years thereafter I tried to do what little I could to correct certain practices—on the part of segments of the U.S. Merchant Marine in its dealings with the U.S. Government. At that time, about 1940, the Federal Government was selling ships to private companies at a fraction of their value, and subsidizing the construction of others.

Then war came along, and the Government took over most of the ships, and many of them were subsequently sunk in the Atlantic Ocean. Then the exorbitant insurance bills were paid. I believe the worst instance of that kind was in the case of a ship that was called the *West Madiket,* which was insured for about 64 times the appraised value of the ship, as fixed by the Maritime Board.

That is the situation that prevailed. I suppose that similar sharp practices have prevailed in greater or less degree up to this time.

I realize that much of our shipping is listed under foreign flags, particularly under the flags of Liberia, Panama, and other countries, and in that way the owners escape certain responsibilities to the United States.

Unsatisfactory conditions prevail in land as well as ocean shipping. It seems impossible to obtain ships to haul grain from Midwest ports like Milwaukee and Chicago to ports on the St. Lawrence River, so that the grain could be made available in New England. We have been unable to correct that situation. Of course, that situation involves lake shipping, rather than international shipping. I know that injustices and exploitation of the taxpayers and shippers has been going on ever since the late 1930's, when the basic merchant marine law was passed. It seems to me the time has come for a thorough and impartial review of U.S. shipping, with a view to bringing legislation up to date and to the point where it will be fair to the operators, shippers, and taxpayers alike.

We have been reading lately of the advantage that has been taken of us through charging twice as much to export goods from the United States to other countries as it costs to bring cargoes from those same countries back to the United States. The whole situation needs a thorough investigation with a view to correcting it.

I am not undertaking to place blame. I suppose if one company indulges in what might be called shady practices, the others perhaps have to do the same thing to meet the competition. I well recall that during the 1940's Federal agencies were trying to force shipping lines to accept subsidies, and were even going so far as to set up competing lines if the private companies did not accept subsidies and put themselves under U.S. Government control.

So perhaps not all the blame lies with the shipping companies. Probably they had better do business on a better basis than that on which they have operated to date. Whether or not they have to operate on the present basis in order to meet competition, I do not know.

Mr. WILLIAMS of Delaware. I thank the Senator from Vermont.

Mr. AIKEN. The Senator from Delaware and the Senator from Ohio are performing a real service in trying to bring about corrections in the industry, something which I rather futilely undertook to do some 15 years ago.

Mr. LAUSCHE. I wish to express approbation of what has been said by the Senator from Vermont. If the Merchant Marine Act of 1936 needs revision, let it be revised, but not in this way, by making it worse than it already is.

We are dealing with one phase of it. I had considered offering an amendment to the bill, and I would have done so if I had not limited myself in time to 2:30. My amendment would have sought to prohibit work stoppages in the merchant marine which resulted from jurisdictional disputes between two or more unions.

Many things ought to be done to improve the law, but the bill before the Senate would merely make the whole situation worse.

I thank the Senator from Vermont for his generous statement.

Mr. WILLIAMS of Delaware. I thank the Senator from Vermont. He has ably pointed out one thing that had been overlooked. When war breaks out Congress imposes controls on the wages of every American worker and on the prices that are paid for commodities. Congress passes price controls on agricultural commodities and on services performed. Why should this one industry now be exempt by providing that if war breaks out it can not only continue to make all the profits possible, but can even have a guarantee that if the ship sinks it will collect an even greater windfall.

The purpose of this bill is wrong. I should like to see it recommitted so that the committee may study the whole proposal further. Revisions should be made so as to protect the taxpayers, rather than to expand the act and make the situation worse.

Who ever heard of asking Congress to pass a law whereby a company could make more money if the ship sank than it could if it reaches port in safety?

Mr. President, although I know that the vote is not scheduled until 2:30 p.m., I wish to make a motion to recommit the bill.

In order that Senators may know what is proposed I ask unanimous consent that at 2:30 p.m. the Senate vote on my motion to recommit, prior to any vote on the passage of the bill. Then Senators would be on notice. I make that motion now, and ask unanimous consent that the vote on the motion to recommit be in order at 2:30 p.m., rather than to have the vote on the final passage of the bill at 2:30 p.m.

Mr. BARTLETT. Mr. President, will the Senator from Delaware yield for a question?

Mr. WILLIAMS of Delaware. I yield.

Mr. BARTLETT. The Senator might wish to modify his request in light of the possibility that all the time between now and 2:30 may not be required.

Mr. WILLIAMS of Delaware. Yes; I modify the request so as to provide that either at 2:30 or prior thereto, the first vote will be on my motion to recommit.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MILLER. Mr. President, will the Senator from Delaware yield for a question?

Mr. WILLIAMS of Delaware. I yield.

Mr. MILLER. The Senator has been discussing the cost to the taxpayers. I invite his attention to a statement on page 1 of the report, at the end of the paragraph headed "Purpose of This Bill." The statement reads:

> As the war risk insurance program is operated on a mutual basis, the increased coverage sought would not entail any Government costs.

A mere reading of that statement would, I suppose, cause the average person to believe that the bill is perfectly all right, and that there would not be any cost to the taxpayers.

The Senator from Delaware has been saying that apparently there would be a cost to the taxpayers.

Mr. WILLIAMS of Delaware. Certainly there would be a cost to the taxpayers. That is the whole principle behind the bill. If war broke out, private insurance companies naturally could not afford to insure the ships; the rates would be prohibitive. To prevent that from happening the Government takes over and underwrites all the insurance during the time of war and would do so at the normal premium rates.

To the extent that ships were sunk, certainly there would be a cost to the taxpayer. The claims would be paid from the war risk insurance fund. What would be the difference? It would be our money.

Mr. MILLER. As I understand, the insurance premiums would be paid into the Treasury of the U.S. Government, based on the amount of the subsidy, at least.

Mr. WILLIAMS of Delaware. Yes. Conceivably, this proposal may not cost the taxpayers any money. Conceivably, no ships might be sunk during a war, but that is most unlikely.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. BARTLETT. The Government had considerable experience in this connection during World War II. This same system was used before. The Government profits amounted to $8 million. The premiums were established in somewhat the same fashion as the private companies would fix them. The Government came out ahead. The Government is not supposed to lose. The premiums were fixed so that the Government would not lose.

Mr. WILLIAMS of Delaware. The Government would not lose unless ships were sunk. The whole principle is that behind this insurance there is pledged as security all the assets of the U.S. Government. If that is not true, the War Risk Insurance Act should be amended to provide that claims would be paid only to the extent that the money was in the fund as a result of premiums that had been collected. Then when the fund went broke, payment on claims would stop. If the Senate is willing to accept that as the proposal I will subside right now. But we know that the only strength of the War Risk Insurance Act is that it is anchored in the Federal Treasury.

Certainly it is possible, as was the case in the Korean war, to have the Government come out ahead. Few ships were sunk. But who knows what will happen in another war? If only one ship were sunk, why should a profit be collected? That is what we are arguing here today. If this were such a profitable operation and if there were no risk, private insurance companies would carry the insurance during the war.

Mr. MILLER. Do I correctly understand that the proponents of the bill are not merely arguing that, to the extent of the insurance proceeds, the shipowners should receive an allocable portion based upon their contribution to the building of the ship, but are arguing also that they should receive the entire amount of the insurance proceeds?

Mr. WILLIAMS of Delaware. Based upon the value of the ship.

Mr. MILLER. I can see a possible argument that could be made. If a shipowner contributed 50 percent of the cost and the Federal Government contributed 50 percent of the cost, and if this insurance program were in existence, and the ship were sunk, and the fair market value might even be double what the cost was, when the insurance proceeds were to be paid, the proponents might say they believe they ought to share the proceeds.

Mr. BARTLETT. Mr. President, will the Senator from Delaware yield, on my time, to permit me to answer the Senator from Iowa?

Mr. WILLIAMS of Delaware. I yield.

Mr. BARTLETT. I yield myself 1 minute for that purpose.

The Senator's fear that insurance might be paid on an enhanced value of a ship is incorrect. The insurance would be based upon the market value of the vessel not including any wartime inflationary pressure.

Mr. MILLER. I understand; but the point I make is that instead of having the Federal Government, which put up half the cost of the ship, receive half the insurance proceeds, which I think perhaps would merit some consideration, do the proponents of the bill want to have the entire amount of the insurance proceeds go to the shipowner?

Mr. BARTLETT. Yes.

Mr. MILLER. Why? That seems to me to be overreaching. Why not in proportion to the contribution the shipowner has made and the contribution the Federal Government has made?

Mr. BARTLETT. That is precisely what we seek to have done by means of the bill. Generally speaking, a ship costs twice as much when built in a U.S. yard as it does when it is built in a foreign yard; and under existing law the beneficial interest of the owner-operator is diminished automatically by 50 percent, the moment he seeks insurance. For example, if he has a $10 million ship in which he has $5 million invested, he can obtain insurance in the amount of only $2,500,000 if the vessel received the construction subsidy.

Mr. MILLER. The Senator from Alaska has made an observation which I also see set forth in the committee report. That observation is shocking to me; namely, that the cost of construction in a U.S. yard would be twice that in a foreign yard.

Mr. BARTLETT. Roughly speaking, that is the case. In some cases the cost is a little less; in some cases it is a little more. Congress has fixed a ceiling of 55 percent over and above foreign shipbuilding costs.

I agree with the Senator from Delaware and the Senator from Ohio in saying that I am not sure that this situation has not grown up, like Topsy. Perhaps we should revise, reform, and begin anew. However, in making such an approach, I would be faced with a very considerable difficulty. I would not know how to begin, for, although the subsidy arrangement is unsatisfactory for everyone—in-

cluding, I am confident, the operators—what alternative have we if we are to maintain a U.S. merchant marine?

Mr. MILLER. I am sure all Senator want the United States to be able to compete in merchant marine operations; but it seems to me there is an overreaching when one who long ago entered into a contract is told that now the contractual arrangement is to be changed and that he will be treated in exactly the same way as one who provided the entire amount of capital required. I say there should be a difference—perhaps not to the extent that the Senator from Ohio and the Senator from Delaware have been arguing, but certainly a difference. This is one reason why I am inclined to support the motion to recommit, so that this question can be studied further.

Mr. BARTLETT. However, not all of the advantages flow to the operator. After receiving the subsidized vessel, he is required to operate it on established routes, with established stops, and only to those places. He is required to employ exclusively American labor; he is required to make his ship immediately available to the Government in time of emergency; and he is subject to many other restrictions.

Mr. MILLER. In connection with the required operations, does he receive a Government subsidy?

Mr. BARTLETT. Yes.

Mr. MILLER. Is not the situation taken care of by that means?

Mr. BARTLETT. I think not. I wish to emphasize very definitely that the construction subsidy does not represent a windfall to the owner-operator, because if the Government did not choose to give him a subsidized-built ship, he could have it built abroad for 48 or 52 percent, or some such percentage, of the cost of construction in a U.S. shipyard; and in that event he would not be subject to all the restrictions I have mentioned, and to more.

Mr. MILLER. I agree that there is a difference. However, I suggest that when the Federal Government requires him to operate on certain routes and to certain ports, there should be a kind of quid pro quo, which we call a subsidy, to cover those requirements.

Mr. BARTLETT. He is subject to many restrictions in return for any advantages he may receive.

However, I must refer again to the contention—repeatedly made—that this is a windfall. I do not see how it is.

Mr. MILLER. I did not say it is a windfall; I said it appears to be.

Mr. BARTLETT. I did not have in mind, in that connection, the Senator from Iowa. However, that statement has been made.

I am sure the Senator from Iowa knows that if this bill were enacted and if such a vessel were insured at what its commercial value was at the time when war broke out, and if later the vessel were sunk, the operator would not receive x dollars from the Federal Government, to do with as he pleased. Instead, the insurance money would be placed in a fund—this is required by law—exclusively devoted to the construction of a replacement fleet; and the owner could not spend the money for dividends or for any other purpose.

Mr. MILLER. Let me suggest to the Senator from Alaska that the operator should have his head examined if he tried to use the money for any other purpose, because unless he used it for such a replacement purpose, he would have to pay a large income tax on the proceeds. So I do not think it is unreasonable to require him to invest the fund in another vessel.

Mr. BARTLETT. I do not believe it is unreasonable either; and the law requires that this be done.

Earlier, it was stated that the president of the United States Lines, when testifying before the subcommittee, stated that there is a replacement fund in the aggregate amount of $26 million. However, at the same time he told us that on today's market it would cost $114 million to replace the SS *America*. So it seems to me that if equity is involved in connection with this bill, and I believe it is, it would be helpful to the American merchant marine to require that the replacement funds would, in the event of such an unhappy development, be enlarged.

Mr. MILLER. The Senator from Alaska has made a valid point, and I would be among the first to recognize it. However, this is but one example; and the Senator from Delaware has given examples on the other side.

I wish to ask a further question about a statement included in the committee report; namely, that the Maritime Administrator requires the owners of subsidized vessels to carry insurance in peacetime to the full commercial value of their vessels, as determined by the Administrator. It seems to me that, if we wish to have equity done, this could be somewhat of a windfall on the side of the Federal Government. If the Senator's bill included a provision which, for example, would require the Federal Government, which would be the recipient of all the insurance proceeds, to bear a portion of the cost of the insurance, the Senator would have a better case.

Mr. BARTLETT. The committee considered the bill at great length, both this year and last year.

I do not know whether it is a perfect instrument to achieve that which ought to be sought and entertained. But in defense of the bill I must say that today I was somewhat resentful when the insinuation or implication was made that only a few greedy shipowners, hungering for Uncle Sam's money, wanted the bill enacted into law. I do not refer to the Senator from Iowa in that connection. At the designation of the chairman of the Committee on Commerce, the Senator from Washington [Mr. MAGNUSON], I was acting as chairman of the subcommittee which heard the bill now before the Senate and the bill last considered.

When the bill was reported from the Committee on Commerce, the only individual views which were expressed were those of the Senator from Ohio. Presumably every other member of the Committee on Commerce had approved the proposed legislation, or he would have submitted individual or minority views.

There are others besides the shipowners who believe that the bill is fair, just, and equitable.

Mr. MILLER. I thank the Senator from Alaska for his responses. However, I regret that an overall study was not given to the bill which would cover many of the ramifications which have been brought out in the course of the debate. I believe a better bill could be written. For example, I would like to see something done about insurance.

Mr. BARTLETT. I should like to ask the Senator a question. Does the Senator from Iowa believe that if the bill should become law and apply to a vessel that would cost altogether $10 million—we will say $5 million on the part of the Federal Government and $5 million on the part of the owner—the owner could insure the vessel for $10 million?

Mr. MILLER. The Senator from Iowa does not know. I know that the Senator from Alaska would refer me to page 3 of the committee report, at which page the point is raised. I am quite sure that, as I believe the Senator from Delaware brought out some examples that make some sense, the Senator from Alaska could also find examples which make sense. That is why I have the feeling that we are dealing with something that is a great deal more complicated than would appear to the eye.

Mr. BARTLETT. It is extremely complicated and very technical. I would be the first to admit that.

Mr. MILLER. I am sure the Senator from Alaska knows much more about the subject than does the Senator from Iowa, but I still believe that the bill could be reworked a little more, for example, to take care of the insurance problem. I can see some inequity if the shipowner is now required to carry all the insurance, pay all of the premiums, and then receive perhaps half of the proceeds. That is not fair, either.

Mr. BARTLETT. He would get all the proceeds, but he would not get enough proceeds because of the arrangement which is now operative for war risk insurance.

Mr. MILLER. I understand that some of the proceeds go to the Federal Treasury.

Mr. BARTLETT. No.

Mr. MILLER. Then they go into the replacement fund.

Mr. BARTLETT. The individual company's replacement fund.

I should like to bear down again on the point that the program is a mutual insurance program. The man who is to benefit pays the premiums, as the Senator from Iowa and I pay our life insurance premiums. The premiums are at a rate calculated by the Maritime Administration to make the Federal Government whole.

Returning to a discussion held yesterday between the Senator from Delaware [Mr. WILLIAMS] and myself, I point out

that in the last war 246 ships were requisitioned for title and 403 ships were requisitioned for use.

Mr. President, the senior Senator from Ohio [Mr. LAUSCHE], a vigorous opponent of the bill, spoke at some length about the opposition of Government agencies to the measure. It is in part true that *there has been* such opposition. It is likewise true, however, that the opposition has been modified very considerably from last year.

Yesterday morning and this morning I acted as chairman of a subcommittee of the Committee on Commerce which is holding hearings upon a bill introduced by the Senator from Ohio [Mr. LAUSCHE] to end some jurisdictional disputes in the maritime industry. I presume that those hearings will have to continue tomorrow, for there are many witnesses and much testimony is to be adduced. To date the Federal departments really concerned about the proposed legislation have not reported on the bill. They will do so at a later date. If the departments referred to should report adversely, would the Senator from Ohio then wish to abandon consideration of the bill or will he wish to press forward with it? My thought is that probably the latter will be the case. So it is with myself in connection with the bill S. 927. I believe that Government departments know that the bill is a good bill.

Mr. WILLIAMS of Delaware. Mr. President, how much time remains?

The PRESIDING OFFICER. The proponents have 8 minutes remaining and the opponents have 8 minutes remaining.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that there be an order for a quorum call, the time necessary therefor not to be charged to either side, and following which the debate can be closed and a vote had on the motion to recommit.

Mr. BARTLETT. That procedure is agreeable to me.

The PRESIDING OFFICER (Mr. MCINTYRE in the chair). Is there objection to the request of the Senator from Delaware? The Chair hears none, and it is so ordered.

Mr. LAUSCHE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LAUSCHE. Will the vote take place at 2:30 p.m.?

Mr. WILLIAMS of Delaware. Following the establishment of a quorum, each side would have 8 minutes available for debate, followed by the vote.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. How much time does the Senator from Alaska yield?

Mr. BARTLETT. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 3 minutes.

Mr. BARTLETT. Mr. President, in a few minutes the Senate will vote on a motion by the Senator from Delaware to recommit S. 927, which was reported by the Committee on Commerce unanimously, except that the senior Senator from Ohio [Mr. LAUSCHE] filed individual views.

It was the judgment of the committee—and particularly it was my own judgment, as acting chairman of the subcommittee which heard the testimony in the spring of this year and last year—that the bill is justified, that it is equitable, and that it does not constitute a windfall of any kind for maritime shipping operators.

The bill seeks to make it possible for the owner operators whose vessels have been built by construction subsidies to obtain the same amount of war risk insurance for a given ship in time of war that they are required by the Government under existing law to take out in commercial insurance in peacetime.

The owner operators, to reach the higher value which the bill would permit, would pay premiums set by the Maritime Administration. The Government would not pay the premiums. It would be the function of the Government to decide what the rate ought to be, and to collect the money.

The PRESIDING OFFICER. The 3 minutes yielded by the Senator from Alaska have expired.

Mr. BARTLETT. Mr. President, I yield myself 1 more minute.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 1 additional minute.

Mr. BARTLETT. The operators are perfectly willing to make those payments.

The best example I can use is that which I cited yesterday. I repeat it now.

The United States Lines, the owner of the SS *America*, is required to take out and maintain commercial insurance in the amount of $6.4 million. If an emergency should arise, and if the ship were requisitioned by the Government, prior to being taken over for use or title by the Government, the insurance amount automatically would drop to about $4.5 million. If the ship were requisitioned for use, the insurance would drop to $437,000. This makes no sense whatsoever.

The PRESIDING OFFICER. The time yielded by the Senator from Alaska has expired.

Mr. BARTLETT. I yield myself 1 more minute, Mr. President.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 1 additional minute.

Mr. BARTLETT. The value of the ship is the value which ought to be computed in and out of wartime, in my judgment, for insurance.

I repeat, this would be no windfall. It is a business transaction.

The bill is a good bill. I trust the Senate will vote down the motion of the Senator from Delaware to recommit the bill.

Mr. WILLIAMS of Delaware obtained the floor.

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. WILLIAMS of Delaware. Five minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 5 minutes.

Mr. WILLIAMS of Delaware. Mr. President, the term "windfall" in connection with this bill is not a word which I coined. That is the word which was used by the Department of Justice when it reported to the committee its recommendations that the bill be defeated.

I ask unanimous consent that the letter of the Department of Justice, as shown on page 8 of the report, may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF JUSTICE, OFFICE OF THE DEPUTY ATTORNEY GENERAL,

Washington, D.C., July 12, 1963.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.

DEAR SENATOR: This is in response to your request for the views of the Department of Justice on the bill (S. 927) to amend title 12 of the Merchant Marine Act, 1936, in order to remove certain limitations with respect to war risk insurance issued under the provisions of such title.

Title XII of the Merchant Marine Act, 1936 (46 U.S.C. 1281–1293), permits the Secretary of Commerce to insure vessels and cargo against war risks when such insurance is not obtainable on reasonable terms and conditions from private domestic underwriters. Section 1209 (46 U.S.C. 1289) limits the valuation of such vessels for war risk insurance coverage to "just compensation," but provides that such valuation must be reduced in the case of a vessel constructed under Government subsidy by such proportion as the subsidy paid bears to the entire construction costs. Thus, the valuation of a vessel constructed under a 50-percent subsidy must be reduced for war risk insurance coverage by 50 percent of its total value.

The bill would eliminate the provisions of existing law requiring vessel valuation reductions in the cases of vessels constructed under Government subsidies. This would result in placing subsidy beneficiaries in a more favored position than all others. They would be entitled to obtain full insurance coverage even though a part of the value of their vessels is derived solely from subsidy grants. The resulting potential windfalls appear to be neither necessary nor just.

Accordingly, the Department of Justice is unable to recommend the enactment of this bill.

The Bureau of the Budget has advised that there is no objection to the submission of this report from the standpoint of the administration's program.

Sincerely yours,

NICHOLAS DEB. KATZENBACH,
Deputy Attorney General.

Mr. WILLIAMS of Delaware. I read one paragraph of that letter:

The bill would eliminate the provisions of existing law requiring vessel valuation reductions in the cases of vessels constructed under Government subsidies. This would result in placing subsidy beneficiaries in a

more favored position than all others. They would be entitled to obtain full insurance coverage even though a part of the value of their vessels is derived solely from subsidy grants. The resulting potential windfalls appear to be neither necessary nor just.

The Department of Justice used the words "windfalls" and "neither necessary nor just."

The Justice Department, in its letter, recommended strongly against enactment of the bill.

I now wish to read from testimony of the General Counsel of the Department of Commerce, as shown on page 11 of the hearings. The Department of Commerce likewise strongly opposed enactment of the bill:

If I may, let me rephrase the last statement. We see no reason for the Government to pay the shipyard—using the 50-percent rate—half of what it cost to construct a ship today and then, under the war risk insurance program, pay that same 50 percent again to the owner when the ship is lost. The law provides for the replacement of that ship.

This situation boils down to a simple question. The construction of the ships is subsidized. When they are built in the first place the U.S. Government pays approximately one-half the cost of construction of the ships. Under the law in return for this subsidy, the shipowner agrees that in the event of war he will permit the Government to requisition the ship at a price based not on the world market value of the ship but on the basis of what the company paid for the ship minus the normal depreciation.

If they paid only half the construction costs then why should they collect the full value if the ship is lost?

Under the present law if a ship is sunk during use in war the Government pays the company based on the valuation of the ship in relation to the part the company paid.

If this bill were passed the company could insure for the full value of the ship without regard to the cost price, and this would result in a tremendous windfall profit. That word is not mine. That is the word of the Department of Justice in describing the bill.

I wish to cite one or two cases, to show how the system would work if this bill were passed.

After the war was over the Government sold a number of ships as surplus. Yesterday I cited two particular ships which were sold to the American South African Lines, Inc. The ships cost the U.S. Government when built $3,163,146 and $3,129,120. Those ships were sold for a net figure to the Government of $17,000 each.

When the ships were sold for $17,000 each—a ridiculous price—the contract did provide that in the event of war the Government could take them back at the same cheap price, minus the depreciation. The contract further provided that if the ships were sunk during a war the Government, under the War Risk Insurance Act, would pay the company's claim based on the $17,000 valuation.

If the pending bill should be passed, however, the owners could insure the ships for the full market value of the ships, at wartime values, which means that if the ships were lost they could collect a tremendous profit.

I cited one other case of three ships which were sold.

Those were new ships, constructed in 1946 at the Bethlehem Shipyards. They were C–4's, which are good ships. They cost $7,733,694, $7,802,672, and $9,125,039, respectively. The same three ships were sold for $102,944 each, with the proviso that if war should break out the Government could take them back at the price for which they were sold.

The PRESIDING OFFICER. The 5 minutes yielded by the Senator from Delaware have expired.

Mr. WILLIAMS of Delaware. I yield myself 1 more minute.

It was also provided that, if the ships were sunk during the war, the Government would be liable for insurance only to the extent of the cost of the ship.

If the pending bill passes, the owners will be able to insure the ships for the full maritime value, without regard to the cost, and if the ships are sunk they will be able to collect from the U.S. Government.

This bill should be defeated. It should go back to the committee in which it originated.

In conclusion, I repeat that every agency of Government affected—the Department of Commerce, the Department of Justice, the Comptroller General—has denounced the bill and declared it an unwarranted windfall to this particular industry.

Mr. President, I ask for the yeas and nays on my motion.

The yeas and nays were ordered.

Mr. WILLIAMS of Delaware. I yield the remainder of my time to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, I merely wish to repeat what the Senator from Delaware has said. No agency of the Government is in favor of the bill. All are opposed to it. I refer to the Department of Commerce, the Comptroller General, and the Department of Justice.

There is no public demand for the bill. No one has heard any public clamor that there is something wrong with the existing law. The only group that is urging passage of the bill is the one that would be benefited by it. It wants its subsidized ships to be insured, in case of war, on the same basis as nonsubsidized ships are insured. That is the crux of the issue.

On that score, each of the agencies of Government to which I have referred has said that the bill is wrong. The Department of Justice said that the bill provides a windfall. I am a member of the committee from which the bill came. In my judgment, the bill is completely unjustified. It is not in the interest of the security of the country. It is not fair to the taxpayers. It would serve only one group; namely, the owners of the ships involved. First we subsidize the building of the ships. Then we subsidize the operation of the ships.

The PRESIDING OFFICER. All time of the Senator from Ohio has expired.

Mr. LAUSCHE. I sincerely submit to my colleagues that it would be a grave error to pass the bill.

Mr. BARTLETT. Mr. President, anything I might say now would necessarily be repetitive. However, I will say it again, but very briefly:

It is not the operators who would receive the benefit of the construction subsidy. It is the shipyards, and it is the national defense structure.

The operators do not receive the benefit of the operating subsidy that has been granted by Congress so American ships could be competitive with foreign carriers. It is the only way in which they could be competitive.

I think the bill is sound. I think it is justified. I hope the motion to recommit will be defeated.

The PRESIDING OFFICER. Is all time yielded back?

Mr. BARTLETT. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on the motion of the Senator from Delaware to recommit the bill to the committee.

The yeas and nays have been ordered, and the clerk will call the roll.

Mr. LAUSCHE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LAUSCHE. Is the Senate about to vote on the motion to recommit the bill?

The PRESIDING OFFICER. The Senator is correct. The Senate is about to vote on the motion of the Senator from Delaware to recommit.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Indiana [Mr. BAYH], the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Louisiana [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Florida [Mr. SMATHERS], the Senator from Alabama [Mr. SPARKMAN], and the Senator from New Jersey [Mr. WILLIAMS] are absent on official business.

I also announce that the Senator from California [Mr. ENGLE] is absent because of illness.

I further announce that the Senator from West Virginia [Mr. RANDOLPH] is necessarily absent.

I further announce that, if present and voting, the Senator from California [Mr. ENGLE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Louisiana [Mr. LONG], the Senator from West Virginia [Mr. RANDOLPH], and the Senator from Alabama [Mr. SPARKMAN] would each vote "nay."

On this vote, the Senator from Virginia [Mr. BYRD] is paired with the Senator from Indiana [Mr. BAYH].

If present and voting, the Senator from Virginia would vote "yea" and the Senator from Indiana would vote "nay."

On this vote, the Senator from Florida [Mr. SMATHERS] is paired with the Senator from Texas [Mr. TOWER].

If present and voting, the Senator from Florida would vote "nay" and the Senator from Texas would vote "yea."

Mr. KUCHEL. I announce that the Senators from Nebraska [Mr. CURTIS and Mr. HRUSKA], the Senator from Arizona [Mr. GOLDWATER], and the Senator from New Mexico [Mr. MECHEM] are necessarily absent.

The Senator from New Hampshire [Mr. COTTON], and the Senator from Texas [Mr. TOWER] are detained on official business.

If present and voting, the Senator from Nebraska [Mr. CURTIS] would vote "yea."

On this vote, the Senator from New Hampshire [Mr. COTTON] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from New Hampshire would vote "nay" and the Senator from Nebraska would vote "yea."

On this vote the Senator from Texas [Mr. TOWER] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting the Senator from Texas would vote "yea" and the Senator from Florida would note "nay."

The result was announced—yeas 36, nays 47, as follows:

[No. 262 Leg.]

YEAS—36

Aiken	Gore	Ribicoff
Allott	Hickenlooper	Robertson
Bennett	Holland	Russell
Boggs	Jordan, Idaho	Saltonstall
Carlson	Keating	Simpson
Case	Lausche	Smith
Cooper	McClellan	Talmadge
Dirksen	Miller	Thurmond
Dominick	Morton	Walters
Douglas	Mundt	Williams, Del.
Ellender	Pearson	Young, N. Dak.
Fong	Proxmire	Young, Ohio

NAYS—47

Anderson	Hartke	McNamara
Bartlett	Hayden	Metcalf
Beall	Hill	Monroney
Bible	Humphrey	Morse
Brewster	Inouye	Moss
Burdick	Jackson	Muskie
Byrd, W. Va.	Javits	Nelson
Cannon	Johnston	Neuberger
Church	Jordan, N.C.	Pastore
Clark	Kuchel	Pell
Dodd	Long, Mo.	Prouty
Eastland	Magnuson	Scott
Edmondson	Mansfield	Stennis
Ervin	McGee	Symington
Gruening	McGovern	Yarborough
Hart	McIntyre	

NOT VOTING—17

Bayh	Goldwater	Randolph
Byrd, Va.	Hruska	Smathers
Cotton	Kennedy	Sparkman
Curtis	Long, La.	Tower
Engle	McCarthy	Williams, N.J.
Fulbright	Mechem	

So the motion of Mr. WILLIAMS of Delaware to recommit the bill to the committee was rejected.

Mr. LAUSCHE. Mr. President, on final passage I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The question now is, Shall the bill pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Indiana [Mr. BAYH], the Senator from Virginia [Mr BYRD], the Senator from Louisiana [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Florida [Mr. SMATHERS], the Senator from Alabama [Mr. SPARKMAN], the Senator from New Jersey [Mr. WILLIAMS], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

I also announce that the Senator from California [Mr. ENGLE] is absent because of illness.

I further announce that the Senator from West Virginia [Mr. RANDOLPH] is necessarily absent.

I further announce that, if present and voting, the Senator from California [Mr. ENGLE], the Senator from Louisiana [Mr. LONG], the Senator from West Virginia [Mr. RANDOLPH], and the Senator from Alabama [Mr. SPARKMAN] would each vote "yea."

On this vote, the Senator from Indiana [Mr. BAYH] is paired with the Senator from Virginia [Mr. BYRD].

If present and voting, the Senator from Indiana would vote "yea" and the Senator from Virginia would vote "nay."

On this vote, the Senator from Florida [Mr. SMATHERS] is paired with the Senator from Texas [Mr. TOWER].

If present and voting, the Senator from Florida would vote "yea" and the Senator from Texas would vote "nay."

Mr. KUCHEL. I announce that the Senators from Nebraska [Mr. CURTIS and Mr. HRUSKA], the Senator from Arizona [Mr. GOLDWATER], and the Senator from New Mexico [Mr. MECHEM] are necessarily absent.

The Senator from New Hampshire [Mr. COTTON] and the Senator from Texas [Mr. TOWER] are detained on official business.

If present and voting, the Senator from Nebraska [Mr. CURTIS] would vote "nay."

On this vote, the Senator from New Hampshire [Mr. COTTON] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from New Hampshire would vote "yea" and the Senator from Nebraska would vote "nay."

On this vote, the Senator from Texas [Mr. TOWER] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Texas would vote "nay" and the Senator from Florida would vote "yea."

The result was announced—yeas 49, nays 35, as follows:

[No. 263 Leg.]

YEAS—49

Anderson	Ervin	Kennedy
Bartlett	Fulbright	Kuchel
Beall	Gruening	Long, Mo.
Bible	Hart	Magnuson
Brewster	Hartke	Mansfield
Burdick	Hayden	McGee
Byrd, W. Va.	Hill	McGovern
Cannon	Humphrey	McIntyre
Church	Inouye	McNamara
Clark	Jackson	Metcalf
Cooper	Javits	Monroney
Dodd	Johnston	Morse
Edmondson	Jordan, N.C.	Morton
Moss	Pastore	Symington
Muskie	Pell	Yarborough
Nelson	Prouty	
Neuberger	Scott	

NAYS—35

Aiken	Gore	Robertson
Allott	Hickenlooper	Saltonstall
Bennett	Holland	Simpson
Boggs	Jordan, Idaho	Smith
Carlson	Keating	Stennis
Case	Lausche	Talmadge
Dirksen	McClellan	Thurmond
Dominick	Miller	Walters
Douglas	Mundt	Williams, Del.
Eastland	Pearson	Young, N. Dak.
Ellender	Proxmire	Young, Ohio
Fong	Ribicoff	

NOT VOTING—16

Bayh	Hruska	Smathers
Byrd, Va.	Long, La.	Sparkman
Cotton	McCarthy	Tower
Curtis	Mechem	Williams, N.J.
Engle	Randolph	
Goldwater	Russell	

So the bill (S. 927) was passed.

Mr. BARTLETT. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. HUMPHREY. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I wish to ask the distinguished majority leader about the program for the remainder of the week and also for the following week, if he has that information.

Mr. MANSFIELD. Mr. President, in response to the question asked by the distinguished Senator from Illinois, it is the intention to lay before the Senate, Senate Concurrent Resolution 1, Calendar No. 483, to create a joint committee to study the organization and operation of the Congress, and recommend improvements therein. This measure has been cleared by the policy committee. It is also intended to have the Senate take up several measures on the calendar to which there is no objection—measures having to do with various kinds of weeks, and whatnots.

On Monday, the Senate will take up the public works appropriation bill.

On Tuesday, the Senate will take up the military construction appropriation bill.

On Wednesday, eulogies for the late President Kennedy will be delivered.

On Thursday, the Senate will take up the appropriation bill for the Departments of State, Justice, and Commerce.

Mr. DIRKSEN. I thank the Senator.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate now proceed to consider, in sequence, Calendar No. 661, House bill 5945, to establish a procedure for the prompt settlement in a democratic manner of the political status of Puerto Rico; Calendar No. 662, Senate Joint Resolution 113, for the designation of "Save Your Vision Week"; and Calendar No. 663, Senate Joint Resolution 128, to provide for the establishment of an annual National Farmers' Week.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered; and the clerk will proceed to state these measures.

BILL PASSED OVER

The LEGISLATIVE CLERK. Calendar No. 661, House bill 5945, to establish a procedure for the prompt settlement in a democratic manner of the political status of Puerto Rico.

Mr. MANSFIELD. Mr. President, I have just now been informed that a request has been made to have this bill passed over. Therefore, I so request.

The PRESIDING OFFICER. The bill will be passed over.

SAVE YOUR VISION WEEK

The resolution (S.J. Res. 113) to authorize the President to issue annually a proclamation designating the first week in March of each year as Save Your Vision Week was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue annually a proclamation designating the first week in March of each year as "Save Your Vision Week", and inviting the Governors and mayors of State and local governments of the United States to issue similar proclamations. The President is further requested to consider including in such proclamation an invitation calling upon the press, radio, television, and other communications media, the health care professions and all other agencies and individuals concerned with programs for the improvement of vision to unite during such week in public activities to impress upon the people of the United States the importance of vision to their own welfare and that of our country, and to urge their support of programs to improve and protect the vision of Americans.

The preamble was agreed to.

NATIONAL FARMERS WEEK

The joint resolution (S.J. Res. 128) providing for the establishment of an annual National Farmers Week was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the seven-day period beginning on the first Sunday of April in each year is hereby designated as National Farmers Week, and the President is requested to issue annually a proclamation calling on the people of the United States to observe such week with appropriate ceremonies and activities.

CREATION OF JOINT COMMITTEE TO STUDY THE ORGANIZATION AND OPERATION OF CONGRESS

Mr. MANSFIELD. Mr. President, for the information of Senators, let me state that it is the hope of the leadership that at this time the Senate proceed to the consideration of Calendar No. 483, Senate Concurrent Resolution 1, with the proviso that the commitments in effect made to the Senate concerning what will be done next week will be observed, and in the hope that, in between, certain measures of a relatively noncontroversial nature will be considered.

So, Mr. President, at this time I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 483, Senate Concurrent Resolution 1.

The PRESIDING OFFICER. The concurrent resolution will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 1) to create a joint committee to study the organization and operation of the Congress and recommend the improvements therein.

Mr. RUSSELL. Mr. President, I object to the unanimous-consent request.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Mr. President, in view of the fact that objection has been made to the request for the present consideration of the concurrent resolution, which was reported from the Committee on Rules and Administration, and was cleared by the policy committee, I now move that the Senate proceed to the consideration of Calendar No. 483, Senate Concurrent Resolution 1.

Mr. RUSSELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll; and the following Senators answered to their names:

[No. 264 Leg.]

Aiken	Hart	Morton
Allott	Hartke	Moss
Anderson	Hayden	Mundt
Bartlett	Hickenlooper	Muskie
Beall	Hill	Nelson
Bennett	Holland	Neuberger
Bible	Humphrey	Pastore
Boggs	Inouye	Pearson
Brewster	Jackson	Pell
Burdick	Javits	Prouty
Byrd, W. Va.	Johnston	Proxmire
Cannon	Jordan, N.C.	Ribicoff
Carlson	Jordan, Idaho	Robertson
Case	Keating	Russell
Church	Kennedy	Saltonstall
Clark	Kuchel	Scott
Cooper	Lausche	Simpson
Dirksen	Long, Mo.	Smith
Dodd	Magnuson	Stennis
Dominick	Mansfield	Symington
Douglas	McClellan	Talmadge
Eastland	McGee	Thurmond
Edmondson	McGovern	Walters
Ellender	McIntyre	Williams, Del.
Ervin	McNamara	Yarborough
Fong	Metcalf	Young, N. Dak.
Fulbright	Miller	Young, Ohio
Gore	Monroney	
Gruening	Morse	

The PRESIDING OFFICER. A quorum is present.

THE EVIDENCE JUSTIFIES A FAIR TEST OF KREBIOZEN NOW

[Mr. DOUGLAS addressed the Senate. His remarks together with related colloquy and exhibits, will appear in the RECORD of Friday, December 6, 1963.]

WALL STREET JOURNAL CRITICIZES COMMUNIST TRADE CREDITS

Mr. MUNDT. Mr. President, slippage is not a planned and constructive process. Clearly when we rely upon slippage to determine our foreign trade policies and are content merely to drift from one position to another as a matter of expediency, this is not the formula for the development of optimum policies or the exercise of world leadership.

I submit that the laying on the table by the Senate vote on S. 2310 does not relieve this administration and this Congress from the obligation to call together a free world trade-aid conference or to utilize some other form of constructive American leadership to rationalize and make consistent our present policies of foreign trade and aid. Neither does it make right or prudent the widescale extension of public credit—supported by the money of American taxpayers generally—to Communist dictators seeking to purchase in this country the tools, machines, and supplies which they desperately need to prevent a crackup in their staggering Communist economy.

I call attention to the editorial in the Wall Street Journal of December 5 entitled "How One Thing Leads to Another," as informative reading and ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HOW ONE THING LEADS TO ANOTHER

When the Russian wheat deal was first proposed last October, the late President Kennedy, in clear and specific language, laid down some excellent terms. He carefully explained what the deal would be—and would not be.

This would be a private, commercial transaction, the Government's role being limited to granting the necessary permission, he said. The sale would be for gold or American dollars, either cash on delivery or "normal commercial terms." Basically, in his words, "the Soviet Union would be treated like any other cash customer * * * who is willing and able to strike a bargain with private American merchants."

In presenting this arrangement, Mr. Kennedy emphasized that one feature of it was that the wheat sold to the Soviet Union would be carried in American ships.

Thus while even then the wheat sale was not without its critics, it was generally accepted by the public on the basis of this straightforward arrangement. On such terms the Russians could buy wheat on the world market anyway, and it seemed as though we would get a fair "quid" for the Russian "quo."

Now, it seems things aren't quite what they seemed.

One of the first things that happened, once the Soviet buyers got the U.S. Government's approval to the principle of a sale, was that they balked at having the wheat shipped to them in American ships. Mr. Khrushchev, figuratively at least, banged the bargaining table, and the U.S. Government relaxed this part of the arrangement.

After that it developed that the Soviet Union didn't want to pay cash after all, either in gold or U.S. dollars. Nor were the Communists willing to deal on "normal commercial terms," meaning such short-term credit as they might get from either the private sellers or private banks. A few efforts at obtaining such credit on their terms, here and in Europe, were unproductive. Whereupon the Soviets said to us: No credit, no deal.

So next the proposition was that the U.S. Government, through the Export-Import

Bank, itself finance the Russian wheat purchase by guaranteeing a loan for 75 percent of the purchase price.

The first reactions to this, not unreasonably, were objections in Congress. A bill was introduced to prohibit this U.S. financing of Russian trade. And although Treasury Secretary Dillon argued that we must underwrite the sale or there would be no sale, the Senate Banking Committee appeared unpersuaded that the deal was worth that price. Appeared unpersuaded, that is, until the assassination of President Kennedy.

Then, in the aftermath of that tragic event, the Senate committee quietly decided to put aside its objections to financing the Russian wheat sale. The explanation given was that this was intended as a tribute to the man who had so carefully spelled out the original terms, and somehow as a gesture of confidence to the new President.

This action had hardly been taken, yielding one more point to the Soviet bargainers when there developed an argument over the shipping rates for transporting the wheat to Russia. The Russians decided they were too high, implying that if something can't be done to get cheaper shipping rates—a special U.S. subsidy, perhaps?—maybe they would have to get their wheat somewhere else.

What interests us here is not so much the wrangle over the Soviet Union's credit standing, although Senator MUNDT had a point about the unpaid Soviet debts due us from World War II. Nor so much even the fact that a Soviet wheat loan would be a major change in the Export-Import Bank policy, which has so far never extended credit or credit insurance to a Communist bloc country.

Rather, the intriguing thing here is the progressive change in the wheat deal and the attitude of U.S. officials to the changing Soviet demands. We have witnessed a typical Communist maneuver. First a proposition that has the sound of reasonableness. Then, a bargain seemingly struck, demands for a "little change." Finally, this being agreed to, a new set of demands. The same sort of thing has happened a thousand times over in different kinds of bargaining with the Communists.

Unfortunately, the American rection is also all too typical. Congratulations at a well-struck bargain; next a little yielding in the hopes of saving the bargain. Finally, "getting a deal" seems to become to us as important as the terms of the bargain. And before you know it, the Russians have what they were after in the first place.

Whatever else may be said about the present proposals, they are a far cry from the thoughtful terms laid down by President Kennedy last October. It is really astounding, when you think of it, how one little thing leads to another.

PROTECTION OF DOMESTIC LIVESTOCK INDUSTRY AGAINST MEAT IMPORTS

Mr. MUNDT. Mr. President, I speak today on behalf of the cattle producers of South Dakota and the entire Nation to discuss the need for protection of our livestock industry against the increasing imports of meat products.

The importance of livestock production in the agricultural economy of this country can hardly be overemphasized. Approximately a third of the value of our total farm and ranch production in the United States is represented by the meat from our cattle, hogs, and sheep. Cattle and calves alone accounted for nearly 23 percent of receipts from all farm marketings during 1962 and receipts from the marketings of all livestock and livestock products amounted to about 56 percent of the total cash receipts from all farm products marketed.

The percentage of farm income received by farmers in South Dakota from the sale of livestock and products is greater than the average for the Nation as a whole, accounting for nearly three-fourths of total cash receipts from all farm marketings in 1962. Receipts from the sale of meat animals in South Dakota amounted to 62.3 percent of total farm cash receipts compared with 32.4 for the Nation. Receipts from the sale of cattle and calves alone accounted for 43.2 percent of total receipts in South Dakota compared with nearly 23 percent for the United States. These data clearly indicate the importance of the cattle industry to the farmers of the country and to the State of South Dakota.

The Nation's cattle herd has increased substantially during the past 5 years, increasing from 93.4 million head in 1958 to 103.8 million on January 1, 1963, an increase of about 11 percent. The 103.8 million head of cattle on farms on January 1, 1963, represents an increase of nearly 4 percent over 1962.

The rate of growth of the cattle industry for South Dakota has been even greater than that of the Nation, increasing from 3.2 million head in 1958 to more than 3.7 million on January 1, 1963, an increase of nearly 16 percent. The number of cattle and calves on farms in South Dakota on January 1, 1963, was about 7 percent greater than a year earlier.

The decline in prices received by farmers for all beef cattle during this year can be attributed to the increased marketings from this unusually large herd and to increasing beef and veal imports.

The average price received by farmers for all beef cattle on October 15, 1963, was $19.50 per hundred pounds compared with $21.70 per hundred pounds on October 15, 1962, a decline of $2.20 per hundredweight or a decrease of about 10 percent. The average price received on October 15, 1963, was $1.10 per hundredweight below the average for the period January 1957 through December 1959.

These are substantial price declines over a short period and will seriously affect the income of our cattle producers if the downward trend continues.

Cattle numbers have been increasing at a high rate since 1958 and the current estimates indicate that cattle of farms and ranches on January 1, 1964, will be close to 107 million head—up 3 percent from the 103.8 million in January 1963. Since the number of cattle kept for milk production is expected to decrease by about 3 percent, the gain in beef cattle number may be up as high as 5 percent. The beginning inventory next year will provide the basis for a further increase in beef production during 1964. More important, a larger basic cow herd will furnish the source for future increases in the supply of feeder cattle suitable for feedlot fattening. Continued optimistic longrun outlook for the demand for beef likely will encourage further expansion and a buildup of 2 to 3 percent is in prospect for next year.

Even with further expansion in cattle numbers, cattle slaughter will increase again in 1964. With reasonably normal weather conditions, prospects are for an increase in commercial cattle slaughter in 1964 of about 3 to 4 percent above the 27.3 million head expected in 1963.

In view of our rapidly increasing livestock production and all factors that point to further increases it appears that we should give serious consideration to the economic effects of the sharp increase in meat imports. For example, let us compare imports of beef and veal with domestic production of those two products. In 1954 imports of beef and veal and live cattle and calves in terms of carcass weights were equal to 1.8 percent of total domestic commercial beef and veal production. This percentage has fluctuated sharply from year to year. It rose to approximately 10.6 percent in 1962 and has continued at that rate for the period January through August 1963. This may seem unimportant in relation to our total meat production and consumption but such a sharp rise in imports plus a rapidly expanding domestic industry gives farmers good reason to demand some means of protecting their cattle industry.

The United States imported 1,126 million pounds of meat products, carcass weight equivalent, during 1958. In 1962 imports of meat products rose to 1,804 million pounds, carcass weight equivalent, an increase of approximately 60 percent during the 5-year period. Imports of beef and veal accounted for about 80 percent of total meat imports, on a carcass weight equivalent basis. Beef and veal imports have continued to increase during 1963. Imports during January to August 1963 were 22 percent above the same months of 1962. Australia, which, in 1962, contributed 46 percent to the total U.S. tonnage imported, showed the largest increase as a source of imports over recent years.

Prior to 1959, imports from Australia were relatively small. In late 1958 the United Kingdom-Australian Meat Agreement, which restricted Australia from shipping other than token quantities of meat to countries other than the United Kingdom was modified. Since then, Australia has increased its meat production and exports, and has emphasized exports to the United States. Australian exports of beef and veal amounted to 549 million pounds in 1962, of which 81 percent was shipped to the United States. Cattle numbers in Australia have increased in the last 4 years, and supplies of meat for export are expected to continue at high levels.

New Zealand contributed 22 percent of the total product imported into the United States and was the second largest supplier last year. For the past 3 years, the United States has been the major market for New Zealand's boneless beef exports, taking over 90 percent of its exports in all 3 years.

In addition to beef and veal imports, 1,232,000 head of dutiable cattle and calves were imported from Canada and Mexico in 1962. For the first 8 months of 1963, imports of live animals were 5 percent below year earlier levels. Beef and veal imports plus the meat equiva-

lent of feeder cattle imports have risen in recent years at a faster rate than United States beef and veal production. In 1962, as I mentioned earlier, beef and veal imports and the carcass weight equivalent of live cattle imports equaled 10.6 percent of domestic production, compared with 7.9 percent in 1961. These imports have been continuing at about the same percentage rate thus far in 1963.

The beef imported by the United States is largely boneless frozen lower grade beef suitable mainly for use in the processed meat industry. Of the beef and veal imports thus far in 1963, carcass weight, 81 percent was boneless beef; 14 percent was canned beef. Relatively little bone-in or chilled beef was imported. Some of the boneless frozen beef is suitable for uses other than processed products. However, quality is believed to compare generally to that of the lower grades of domestic beef.

Cattle prices in the short term are influenced primarily by the volume of cattle slaughtered. Fed-cattle prices depend largely on the number and weight of fed cattle marketed and the resulting production of fed beef. Similarly, cow prices depend principally on the supply of cow beef. To the extent that cow beef may compete with fed beef for the consumer's dollar, cow prices have some effect on fed-beef prices and vice versa. Imports affect these prices by changing the total supply of beef of that quality.

A recent study conducted by the U.S. Department of Agriculture indicates that imports of beef and veal do affect prices of choice steers as well as utility cows. The study indicates that the amount of influence on price is affected by the level of imports relative to domestic production. When imports equal about 10 percent of total domestic beef production—as they have recently—an increase of 10 percent in imports would cause, on the average, a drop of about 1 percent in the price of choice steers. If imports are a smaller proportion of domestic production, the effect on fed-cattle prices is less; if they are a larger proportion, the effect on prices is greater. For utility cows the effect would be greater, under the same conditions as stated for choice steers, the price of utility cows would drop about 2.7 percent.

We cannot escape the fact that the total supply of lower grade beef is increased by imports and thus results in lower farm prices for lower grade cattle, particularly cows, than would prevail in the absence of the imports. It may also be argued that as we widen the range between the lower quality and higher quality meat there may be a tendency for consumers to shift to the lower priced cuts and thus lower the demand for higher quality products. Decreasing demand for a product without a decrease in supply tends to result in lower prices for such products. Thus imports of beef most likely have a greater influence on domestic farm prices for cattle than is generally recognized.

In view of the sharp increase in imports of livestock and meat products over the past 4 or 5 years and the decline in farm prices of beef cattle there is every reason for our cattle producers to request that some action be taken to protect their industry against further price declines. I therefore urge that the proper authorities in the executive branch of Government take such action as is feasible, the adjustment of quotas or duties, which ever is required, to protect our domestic cattle industry against excessive imports which most certainly will continue to have a price-depressing effect on domestically produced cattle.

URBAN REDEVELOPMENT IN NEWARK, N.J.

Mr. CASE. Mr. President, the city of Newark, N.J., has done as much as any community in the Nation to rebuild itself as a modern American city, both through its own efforts and with the help of the State and Federal Governments. Gustave E. Wiedenmayer, president of the Commerce and Industry Association of Newark, spoke at the November 20, 1963, meeting of the New Jersey Association of Housing and Redevelopment Authorities in Atlantic City, N.J., with reference to the efforts which Newark has made and the gap which needs to be filled if there is to be additional progress. Mr. Wiedenmayer has some stimulating ideas to offer, I believe, about the future of the urban renewal program based on the experience of the business community of Newark in meeting the challenge of urban redevelopment, and I ask unanimous consent to have his remarks printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

A BUSINESSMAN LOOKS AT URBAN RENEWAL

(By Gustave E. Wiedenmayer)

Ladies and gentlemen, I consider it a great honor to have been invited to address you this afternoon. As you have heard, I appear before you as a representative of the business community of Newark, and my assignment is to give you, in effect, a private enterprise slant on urban renewal.

At the very outset, may I say that the Newark business community has some decidedly positive views on this complex subject. So, I greatly appreciate this opportunity to state our case before so distinguished an organization as yours.

As all of you know, Newark is not only the largest municipality in our State; it is also the "central city" in an economic area that is among the most important in the Nation.

In Newark, there is a high concentration of major commerce and industry. The top management of these enterprises, together with the leaders of the small business sector, make up what I've referred to as the "business community" of our city.

As I have said, our business community feels very strongly about urban renewal, and we do so because we feel very strongly about Newark as a central city.

We are convinced, for example, that geography and economics have blessed Newark with a potential for growth that is second to no other city in the United States.

We are located at the very heart of the New York-New Jersey-Connecticut metropolitan region; and as a transportation center, we have unexcelled facilities for land, sea and air traffic.

But mind you, I specified that these advantages of geography and economics give Newark no more than a potential for growth. They most certainly cannot provide a guarantee of growth.

What Newark needs most is to realize its potential—to make it a reality. And for that to happen, Newark must battle—and, indeed, we must overcome—the obsolescence and the blight that creep up upon so many of the older cities in New Jersey as elsewhere in the Nation.

This is the conviction that is held by the business community of Newark, and it is upon this conviction that we who represent the private enterprise system base our attitude toward urban renewal.

Fundamentally, we feel that in Newark's battle against obsolescence and blight, our most promising weapon is a program of urban renewal and redevelopment, privately sponsored and publicly sponsored, privately and publicly financed. Newark has such a program.

Secondly, we feel that in urban renewal, there should be nothing less than full partnership between the business community, the municipal government, and the city's redevelopment agency—and such a spirit of teamwork does exist in Newark.

But unfortunately, we have also learned that it will take far more than community cooperation to guarantee the success of urban renewal.

In Newark, for example, the business community could not ask for a greater degree of cooperation or a greater competence than has been demonstrated by our redevelopment director, Lou Danzig, and his staff of the Newark Housing Authority.

But for all of this, the fact remains that Newark's urban renewal program is far from the success that we would like it to be.

If Newark or any other city is to have truly effective urban renewal, the administration of the program simply will have to be overhauled—from Washington on down to the local level.

It is true that in Newark, we have 15 urban renewal projects in various stages of development. But here it is, 14 years after the initial Federal act of 1949, and there is only one federally assisted urban renewal project actually completed and in use—this being the magnificent Colonnade apartments project in North Broad Street.

Over the same period of time, private business interests acquired land, cleared sites and actually erected large industrial, commercial, and residential buildings that have literally transformed the physical appearance of Newark.

In fairness, however, it must be said that in pressing their own projects, these private interests undoubtedly were influenced by the fact that a Federal urban renewal program did exist to complement their private efforts, and that our municipal authorities were committed to such a program.

In fairness, too, it must be said that while Newark and other cities may be disappointed over the pace of urban renewal, there is no reason why we should despair.

Over the years, local pressure already has been responsible for remarkable changes in Federal policy affecting low-cost housing and urban renewal. I am confident that this same local pressure could be brought to bear once again on Washington to force the full-scale review that is now so obviously and urgently needed.

My confidence that the faults of the present urban renewal process can be corrected is based upon my own belief that by its very nature, urban renewal is essentially a local enterprise.

Therefore, the local interest must be given precedence, and it will be if business and government, at the local level, work together to achieve this goal.

That is my conviction; and to support it, I would ask you to consider the situation that confronted the Newark business community in the years immediately following World War II.

Physically and psychologically our city was on the skids. Our buildings were obsolete, our taxes were climbing and our middle- and upper-income families were moving out. What is more, our commission form of government was not providing the leadership needed to dispel the atmosphere of depression that was settling over the city.

As a matter of survival, the business community decided that this trend had to be reversed; and in this we were joined by organized labor, whose interests also were at stake.

The city's first need, of course, was for a new form of government. So, in partnership, business and labor led a campaign that ousted the old five-man commission rule in favor of a strong mayor to be elected by the people. This centralized leadership had the immediate effect of reawakening public confidence in the future of the city.

The next need was to develop a program for the rebuilding of the physical plant of the city. So on the recommendation of the business community, our then Mayor Carlin created an economic development committee made up of business, labor and government representatives.

One of the first decisions of this committee was that the rebuilding of the city would require the mobilization of all resources available. These would include private investment capital as well as local, State and Federal legislation and funds.

It was at this point that the business community committed itself to support urban renewal as an essential tool in rebuilding the city.

In this respect, our next need was to deal with the tax problems that were likely to hinder the redevelopment of the city. So a subcommittee on taxation was formed; and as its chairman, I was made painfully aware of the extent to which Newark's revenue structure represented a major obstacle to our efforts.

It still does, I regret to say, for nothing has come of the subcommittee's recommendations that the State tax system be thoroughly revised to reduce the extreme dependence which Newark and other cities must place on real and personal property taxes.

The State legislature is still attempting to deal with the personal property tax, though unsuccessfully thus far. On other fronts, there has been more progress. The household property tax no longer applies in Newark, and the State tax policy commission, as set up by the governor and the legislature, has made a strong case for a broad-base tax to relieve the pressure on real estate and to replace, in part, the personal property tax.

Now that the $750 million bond issue has been defeated, I would hope that finally the governor and the legislature will come to grips, once and for all, with the need for a basic revision of the State's tax structure.

In the absence of major tax relief there was an even more urgent need for some new way to tax real estate in areas earmarked for urban renewal. So the economic development committee came up with recommendations that in 1961 were included in what we now know as the Fox-Lance legislation.

We're all aware of what tax certainty means as an inducement to a private developer in an urban renewal project. Private investors can now build in our central cities in spite of high property taxes. Indeed, without the Fox-Lance act, there would be little if any urban renewal in Newark or other older cities in the State.

This was a major achievement, but there were still other needs to be met. One of these arose from the fact that under the original Federal Urban Renewal Act, project areas had to be predominantly residential either before renewal or after. Naturally, this would have prevented Newark from obtaining Federal aid for the commercial and industrial phases of its rebuilding program.

So to solve that problem, the economic development committee suggested amendments to the Federal urban renewal law. With the help of Lou Danzig and the New Jersey Association of Housing and Redevelopment Officials and others, amendments were enacted in 1956 and again in 1959 and 1961. In each instance, we had the fullest cooperation of our Representatives in Congress. We were fortunate that Newark's present mayor, Hugh Addonizio, was then a Congressman, serving in the House committee involved, and his help was crucial.

In any event, our amendments were written into the law. So today, redevelopment for nonresidential uses is possible where the project can be shown to be necessary for the proper development of the community at large.

Without that provision, Newark would have been unable to initiate the major downtown commercial projects and the tremendous Meadowlands industrial development that today represent the city's major hope for the future.

These projects, of course, are still far from completion and that is the reason why we are dissatisfied with the present urban renewal program.

Thus, a thorough review of the urban renewal program becomes the need of the moment with respect to the rebuilding of Newark—and, I daresay, of other central cities as well.

I have already outlined how other needs arose in the past and how they were met by the concerted efforts of business and government at the local level.

Much the same pressure could be exerted once again to correct the faults that are now so glaringly evident in the urban renewal process.

To that end, I would suggest that the first objective be a reduction of the redtape that now hobbles urban renewal at every stage.

No one can object to necessary checks and balances, but it simply is intolerable that from 3 to 10 years should be consumed in the process leading to the disposition of land for an urban renewal project.

As you all know, this process is divided into two periods—the planning of the project and its eventual execution. Both stages should be speeded up before the whole urban renewal program bogs down under the deadweight of redtape.

I am not qualified to specify how this streamlining should be carried out. But certainly there is a broad enough area in which to operate, considering that four governmental agencies are involved—these being the Federal Urban Renewal Administration, the local redevelopment agency, the municipal governing body, and the local planning board.

What is more, there are three processing stages within which each of these governmental agencies must act and interact. To be precise, these agencies are involved in no less than 16 official acts bearing upon the planning and execution of but 1 urban renewal project.

If you will bear with me—the URA and the local redevelopment agency each complete one action in each of the three processing stages. The local planning board entertains four separate actions. Finally—and, indeed, incredibly—the local governing body deliberates no less than six times.

Of course, each of these separate official actions involves a vast amount of paperwork. And as these papers are painstakingly shifted back and forth among the various agencies, delay mounts upon delay to a degree that is little short of appalling.

I am not here to place the blame on either Federal or local officials. But speaking as a businessman, I do feel that it is time for officials at both levels to address themselves to this obvious need for a speedup in the administrative process.

If we are to deal effectively with the delays that now plague our projects, we should strive to discover where the fault lies—whether it is with the Federal law, Federal interpretation of that law, or wherever. Then I would suggest that business and government, at the local level, initiate corrective measures—and I am sure we would have the cooperation of the officials involved.

Thus far, I've been focusing on the preparation of projects. But once the land has been acquired, cleared, and generally made ready for redevelopment, there arises still another problem—and this is the problem of attracting private users for an individual project, as distinct from the private developer of the project.

The investment of private construction capital is essential to the rebuilding of a city for two reasons. First, there are no Federal funds for the construction of commercial or industrial projects; and secondly, only the investment of private capital can produce the enormous amounts of new tax ratables that are essential to the survival of older cities.

To attract this private construction capital, we can offer an excellent inducement in the form of the tax abatement opportunities possible under the Fox-Lance legislation.

But the private developer of a commercial or industrial project cannot go very far without ultimate users, or tenants. To obtain mortgage money, for example, the chances are that the private developer will have to produce signed leases for more than 50 percent of his commercial or industrial space.

The attraction of users thus becomes an integral part of urban renewal. It also presents a sales problem not alone for the private developer but also for the Federal urban renewal authorities, the municipal government, and for a city's business community in general.

Obviously, in urban renewal, there must be good products in the form of good projects. But the job of urban renewal is not completed until these projects are sold, in effect, to those who can use them.

In Newark at the local level, we're already working on this sales problem. Mayor Addonizio has set up an industrial commission to promote our downtown projects as well as the new Meadowlands redevelopment. The business community is cooperating through the Commerce and Industry Association of Newark and through the Greater Newark Development Council.

At the Federal level, the URA recently approved a grant of $15,000 for an exhibit promoting our Meadowlands project in the New Jersey Building at the forthcoming World's Fair. We're grateful for this assistance; and right here today I should like to thank Mr. Nathan personally for his understanding and cooperation. May I also say that we are hopeful this modest grant means that in the future the URA will do more to help us sell the end product of the redevelopment program.

The big job is to bring users back to the city. A far easier way to win tenants is to provide urban renewal land to an existing industry or commercial enterprise that needs room for expansion. This also serves the purpose of holding industry which otherwise would be moving out of the city—and off the municipal tax rolls.

In Newark, we have two cases in point. The J. Wiss & Sons Co. has been manufacturing shears in Newark for 115 years. The Motor Club of America has had its home office in Newark since 1926. Both have purchased land for expansion outside the city.

It happens, however, that both these companies are located adjacent to what has been planned as the Fairmount urban renewal project in Newark. This makes it possible for each to be offered the land it needs

under an urban renewal write-down with a tax abatement under Fox-Lance legislation.

So the users are there, ready to build and to use their buildings as soon as urban renewal can produce the land. But these firms also have expansion schedules to meet, so it is up to urban renewal to meet those deadlines. Otherwise, Newark will lose those firms—which should present a real challenge to men like Jason Nathan of the URA and Lou Danzig, working together, to cut the redtape and get the job underway.

Still another major need for Newark—and doubtless for other cities as well is—for a constructive approach to the problem of local costs. The so-called local share of an urban renewal project amounts to one-third of the overall cost while the Federal share comes to two-thirds. If the city puts in improvements directly related to an urban renewal project—a new school, for example—then the cost of the improvement is credited to the city as a noncash contribution.

This is highly inequitable on two counts. First, the city must put up large sums of money long before there is any tax return from the project. Secondly, the local share, as now set up, forces a central city to assume too great financial burden for a renewal project that actually would benefit a whole economic area.

In Newark's case, for example, the industrial development of the Meadowlands would directly benefit the Newark-North Jersey economic area, with important collateral benefits for the State at large. Yet Newark alone pays the local share.

To correct this inequitable situation, Mayor Addonizio has charted a course that is heartily endorsed by the city's business community.

First, the mayor has asked for State-aid to the extent of half the local share. This is a sound formula, and it has been successfully applied in New York State.

Secondly, he has appealed for revisions at the Federal level so that the cost of tax abatement and tax losses might be credited to the city's local share.

Finally, he has requested revisions that would permit a city with an approved urban renewal program to receive a local share credit for a public improvement that might be located outside an urban renewal area. As an instance, this would enable Newark to take credit for erecting a new Barringer High School, which surely will be serving families that urban renewal has displaced from other school areas in the city.

The mayor's efforts to get a better financial break for Newark are eminently justified on the basis of the hidden costs that must be borne by every central city that is trying to rebuild.

Indeed, the Newark business community feels that the much-advertised two-thirds to one-third ratio of Federal to municipal funds tends to deceive local taxpayers. They are led to believe that Washington is carrying the major burden, which is anything but accurate.

That is why my primary concern throughout this talk, has been for what best serves the local interest—that is, the interest of local taxpayers and their local government.

Such should be the objective of any revision of the urban renewal process. It should be the objective, too, of Federal authorities when they interpret urban renewal legislation.

As I have already pointed out, urban renewal is essentially a local enterprise. It is initiated by local people, so to speak, for the immediate benefit of their local community. So there should be a minimum of restriction on local autonomy in the selecting of sites in the planning of projects and in the disbursement of funds.

In that respect, no level of government—Federal or local—has a monopoly on integrity. Certainly, local officials can carry out local urban renewal responsibilities without being policed, in effect, by a Federal bureaucracy.

This is not to disparage the role of the Federal Government in urban renewal. To the contrary Federal supervision is essential; but once again, it should be confined, in the main, to seeing that local projects are executed at the local level in accordance with the intent of Congress.

On that score, no one can fault the principle of urban renewal. What should concern us here is the manner in which such a high-principled enterprise is being put into practice.

It was not the intent of Congress, for example, that urban renewal should revive cities and strengthen local economics at the expense of the overall national economy. At the moment, as we are all aware, our national economy is the subject of considerable debate.

On one hand, President Kennedy insists that a Federal tax cut is essential to the economic health of the Nation. In the Congress, however, some influential voices call for reduced Federal spending to precede or at least to coincide with any reduction in taxes.

What this means—without taking sides in the debate—is that there is growing concern over the course of the national economy. There is also an awareness, inside and outside Washington, that some measures must be taken to strengthen the dollar at home and abroad and to head off the inflationary trends that already are visible.

In this context, it is no contradiction to point out that urban renewal must be just as responsive to the needs of the national economy as it should be to the interests of the central cities.

Urban renewal is not a giveaway program, nor should it ever be exposed to the abuses of pork-barrel politics—whether at the Federal or local levels.

In conclusion, may I remind you that my assignment here today was to give you a businessman's slant on urban renewal. I realize that I have been critical of some aspects of the program, but this criticism, however, was intended to be constructive, and I trust you will regard it as such.

In any event, I would also repeat that however disappointing may be the pace of urban renewal, there is no need whatever for despair. In the American tradition, business, labor and Government have cooperated in the past to solve seemingly insoluble problems. And I am confident that these same elements of the community will do no less now to make urban renewal the success that we all want it to be.

Thank you very much.

THE MARTIN MARIETTA CORP.

Mr. BREWSTER. Mr. President, the November issue of Fortune magazine carries an unsolicited testimonial to the Martin Marietta Corp., of Baltimore, Md., and its dynamic president, George M. Bunker.

The Martin Marietta Corp. stands as a symbol of the successful operation of our free enterprise system. It has made a valuable contribution to the economic growth of the Baltimore metropolitan area.

Mr. President, during the past year, the Martin Co. was one of the first to agree to an incentive type defense contract on a major project, the Air Force's standard space launch system, Titan III. This cost plus incentive type of contract has been cited by Secretary McNamara as a most effective method of reducing the enormous expense of defense in the 1960's. I believe that Martin Marietta is to be congratulated not only for its accomplishments in space technology but also for its leadership in efforts to control cost. Martin's willingness to be the first company to accept such a contract on a $275 million project is a testament to its courageous and forward-looking executive.

I am confident that Martin will continue to assist the Government in receiving a dollar's value for a dollar spent in accordance with the new and needed emphasis which President Johnson has given to this matter.

Mr. President, I ask unanimous consent that "The Millions Under Martin Marietta's Mattress," be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE MILLIONS UNDER MARTIN MARIETTA'S MATTRESS

(By Charles J. V. Murphy)

A word much favored by George Maverick Bunker, who is given to understatement and on occasion to the ambiguity desirable in a business strategist with fish to fry, is the word "interesting." When he has resort to it, the implications become a work of art. There is, for example, the matter of his unblinking, codfish-eye description of why, like the King of France in the famous rhyme, he marched up the hill in July to deal with the Sperry Rand Corp., only to march right back again. That empty adventure gave rise to the largest single auction in the history of the New York Stock Exchange. One forenoon in September, the Martin Marietta Corp., of which Bunker is president and chief executive, unloaded in a single transaction nearly 500,000 shares of Sperry common. This action completed the dumping in the span of 5 days, for a sum in excess of $13 million, of some 800,000 shares of Sperry Rand that Bunker had quietly acquired early in the year.

"There was quite an interesting situation in that company," Bunker remarked matter-of-factly after the transaction was over. "Our purchase of the stock was, obviously, a measure of our interest. It permitted us to walk in and look. We thought we could be helpful to Sperry Rand, and some of the people there seemed to think so, too. Well, it turned out that there wasn't much chance for us to be helpful, at least as we read the situation, so we got out. Sure, it was a risk, but we are willing to take risks, and all in good time something very interesting might have come out of the association, only nothing did."

Put so casually, so offhandedly, the end of the affair, although clearly disappointing to the suitor, appears to have been for him, under the circumstances, a natural and not particularly painful outcome. In truth, it represented a considerable jolt. As Bunker tells it, he bought into Sperry Rand with the knowledge and encouragement of the latter's president, Harry F. Vickers; there was an understanding that Bunker would come forward with some sort of joint-venture program, including even the possibility of merging Martin Marietta, with assets of over $500 million, and Sperry Rand, with assets of $900 million. But the sweeping nature of Bunker's proposals, once drafted, stunned and angered Vickers; the door between the two companies slammed shut. And Bunker is now looking for the resolution of the quandary that led him to Sperry Rand in the first place—an extremely interesting quandary, to say the least.

Bunker's perplexity consists centrally of where and how to invest upwards of $150

million in free cash, above and beyond operational needs, which is in the process of piling up in the Martin Marietta treasury. This embarrassment of riches represents in turn a climax in the series of successes achieved by Bunker over the past decade. Eleven years ago Bunker was called to the helm of the ailing Glenn L. Martin Co., of Baltimore, which he proceeded brilliantly to transform from an airframe manufacturer into a leading producer of rockets and other equipment for the space age. About 9 years later Bunker merged the Martin Co. with the American-Marietta Co., a curious and folksy conglomeration of enterprises primarily producing materials for heavy construction (cement, aggregates, brick, and concrete products) and paints and industrial finishes, and also represented in printing inks, dyestuffs, and a widely diverse group of businesses that included adhesives and resins, tobacco-processing machinery, and household cleaning products, to name just a few. The tangible result of the union was a spectacular new addition to the ranks of big U.S. industrial corporations. In Fortune's list of the 500 largest such corporations, Martin Marietta in 1962 stood No. 33 in sales (nearly $1.2 billion), and No. 56 in profits (with net earnings of $45,400,000).

Not surprisingly, this new billion-dollar corporate giant is now presenting Bunker with problems that lay but dimly over the horizon at its formation. On the one hand, Martin Marietta's net after taxes in 1963 will be sharply down to about $35 million, owing mainly to a decline in earning in aerospace and in cement, as well as to a deliberate selling off of some former American-Marietta properties. On the other hand, cash generation within the company from retained earnings, depreciation, sale of property, and other factors is accelerating. In 1961 cash throwoff ran to $77 million. In 1962 it rose to $97,300,000. For 1963 the estimate is at least $134 million, and possibly even $139 million and all this adds up to a cumulative total for 3 years of between $308 and $313 million. To be sure, much of this money has moved out, including $66,300,000 for dividends and $109,200,000 for capital outlays. But even so, Bunker has a lot of money burning a hole in the company mattress, which explains why he made his unsuccessful pass at Sperry Rand. "It's a lot of money," he acknowledges in his dry way. "There is imposed on me an absolute necessity to do something useful with it."

"IT'S A SORT OF EXPLOSIVE CARTRIDGE"

A good number of companies these days, of course, find themselves at once excited and perplexed by the same phenomenon. In the opulent American economy the generation of corporate cash is going forward at an unprecedented rate. But Bunker's position is aggravated, if that is the right word for it, by a number of special considerations. One abnormality is a permanent characteristic of the aerospace side of the Martin Marietta house, from which come better than two-thirds of the corporation's total sales. Because of the often short and, in any event, uncertain life of most military programs, the amount of capital that a manufacturer can prudently invest in plant and tooling is limited—the Government, which gives and which also takes away, assumes most of that risk. Hence, while earnings on sales in defense work are always low, return on invested capital and hence potential accumulation of cash tend to be much higher. And this is particularly true, paradoxically, when, as is now the case with Martin Marietta, the volume of business is falling off somewhat, capital investment is being rapidly written off, and nothing new and big is firmly in hand to justify new capital outlays.

In a somewhat similar way, the major income producers on the civil side of the Martin Marietta house—most notably cement and aggregates (the crushed stone, sand, and gravel used in roadbuilding, the making of concrete, and other forms of construction)—generate, as a rule, higher earnings in relation to capital investment than do most businesses. To be sure, the inital capital investment for a cement plant is unusually large; but once a good plant is built, it can be depended upon to produce for many years without much additional expenditure. Right now there is an overcapacity of cement in many regional markets and prices and profits have sagged. This very condition of the market, while pulling down Martin Marietta's earnings, has naturally tended to discourage, at this juncture, large new investment in cement operations. So the cash retained tends to remain substantial.

There is a third abnormality that further aggravates Bunker's situation. After the merger he made up his mind to slough off a number of the American-Marietta properties in the interest of more profitable and efficient operations. Additionally, even before the negotiations were opened, American-Marietta had come under a complaint by the Federal Trade Commission, which alleged that certain of the company's operations, particularly the divisions making concrete products, were illegal. Under a consent decree entered into by the new corporation last spring, Bunker is obliged to rid his company before March 1965, of a number of properties, the lot having an aggregate book value of $48 million. These various divestitures, some already completed and others in process, are expected, when consummated, to add a total of about $123 million to the supply of cash.

From these three different situations flows the free, profit-seeking cash that constitutes Bunker's unusual quandary. Actually the $150 million or more that he soon will have in the till represents only a part of what he calls "our capacity for probe and maneuver." Martin Marietta's long-term debt is down from $78,800,000 at the end of 1961 to $55,500,000, an extraordinarily low figure in relation to its total capitalization. In these circumstances Bunker could easily raise at least another $150 million in long-term loans, lifting his cash to between $300 million and $400 million. Thus he is in the position, not always comfortable, of a field commander who has collected a costly force for a campaign, the target of which is not yet clear. "There's no point," he argues, "in a company the size of ours poking around for $10-million and $15-million acquisitions here and there. That would just complicate matters. Whatever we do will have to be big—a major event. The power of having $300 million or $400 million or so to invest is the power to enter into a major situation. It's a sort of explosive cartridge. The difficulty is finding a rifle to fit it to." While waiting for the shot, let us take a closer look at the stalker.

At 55, Bunker is a neat, trim fellow with an owlish look and an air of aloofness. He has, however, a livelier side not immediately in evidence. He plays a good businessman's game of golf, is one of the principal owners of the feckless Washington Senators, and seems to know just about everybody—other businessmen, politicians, generals and admirals, scientists, and bankers. "Business," he says with absolute conviction, "is an exciting way of life. I always have a good time in the company of risk takers and entrepreneurs."

For a man of such parts, he was surprisingly unthrusting, even haphazard in his youth. He grew up in Chicago, where his father, Gerald deForest Bunker, was in the insurance business. In 1918 the family moved to Toronto, where Bunker attended public schools and the University of Toronto. In 1928, with help from an uncle, he moved on to the Massachusetts Institute of Technology, and presently found himself caught up in the depression. For pocket money in Cambridge he depended upon part-time jobs, and he bleakly recalls that such sums as came to him were unfailingly inadequate. In 1931 he graduated from MIT with a degree in mechanical engineering, having majored in thermodynamics. That first summer he took a job with the Campbell Soup Co. at Camden, N.J. He was put to work swabbing out soup kettles at 38 cents an hour. The industrial folklore of that period still put great store in the desirability of a man's starting his rise from the factory floor. Besides, it was the only job a thermodynamicist could find that grim summer.

"I FOUND MYSELF WANTING TO PLAY THE PIANO"

Although soon promoted to the engineering staff, he stayed with Campbell Soup for only 3 years. While he preserved through the experience a fondness for soup in its many varieties, he became powerfully uninterested in the process of producing it. Being married by then, he accepted a better-paying job in Chicago with Wilson & Co., the meatpacker, for which he became chief engineer. This job held him 2 years. A friend in the Chicago management-consultant house of McKinsey, Kearney & Co. invited him to join its industrial-engineering staff. He advised the firm's clients on inventory management, plant layout, cost control, manufacturing techniques, and such. In his 6 or 7 years with the firm, of which he presently was made a partner, he came to know the manufacturing process in a dozen industries, ranging from the greeting-card business to the farm machinery and stove-producing interests of Sears, Roebuck. He was on the road much of the time, and all the chasing to and fro as a troubleshooter began to wear him down. The work, moreover, left him unsatisfied. "Being a consultant," he recalls, "calls for a passive temperament. All the while I found myself wanting to play the piano."

The first keyboard that presented itself was Kroger Co., a Cincinnati grocery chain, where Bunker became vice president for manufacturing, a post that he held through the war and until 1949. Among the friends he made in Cincinnati was Wade Childress, whose family controlled the Trailmobile Co., of which Childress was president. Trailmobile, a sorry second to Fruehauf in the truck-trailer field, was in serious trouble and on the verge of being ridden off the road. On Childress' invitation, Bunker moved across town to take command. He demonstrated his mettle from the start. One of the basic troubles—and there were others—was that control over the inventory had been lost; costs had got out of hand, inventories were overvalued, and, additionally, realistic reserves had not been set aside. In two vigorous years Bunker swung Trailmobile around. He more than doubled sales to $52 million, increased pretax profits from $326,000 to $7 million, and boosted the common stock about 400 percent. However, to stay competitive with Fruehauf and the other trailer manufacturers, the company needed more working capital in order to finance installment sales of its equipment. Its credit with the banks had been so stretched that no more loans would be forthcoming unless new equity money was brought into the business. This meant a stock issue that would have diluted the value of the outstanding shares, a solution that did not appeal to the Childress family or to Bunker, who himself had options on 25,000 shares at $4 a share. It was decided to sell out to Pullman, Inc., which, very much like Martin Marietta today, had idle cash carried over from the Government-forced sale of its sleepingcar business.

"I MADE A DEAL WITH MR. BUNKER"

Trailmobile marks the takeoff point for George Bunker. With the exercise of these and other options, which, as he recalls, netted him about $500,000, he became finan-

cially independent. The company's sharp recovery had, moreover, marked him as a resourceful, aggressive executive. A grateful observer of the turnaround was Frank Denton of the Mellon National Bank & Trust Co., one of Trailmobile's bankers. It so happened that another of the Mellon Bank's debtors, Glenn L. Martin Co., was in a state of crisis. It had lost $22 million in 1951 alone, and its cumulative losses for the postwar period were $75 million. It was in hock to the Mellon Bank, to the RFC and other Government agencies for over $70 million, and to the airlines for some $14,800,000 in advance payments.

There was no question among observers as to the source of the rising catastrophe. It lay with the founder and principal owner, Glenn L. Martin. "G.L." was one of the truly heroic figures of U.S. aviation. Among his proteges were Donald Douglas and "Dutch" Kindelberger of North American. His plants in World War II employed 55,000 workers and produced 10,000 aircraft. It was the violent readjustment thereafter that proved too much for him. With military sales plummeting, the company gambled on breaking into the civilian field with a medium-range transport, but lost heavily. In his stupendous plant at Middle River, just north of Baltimore, which still awes travelers on the Pennsylvania Railroad, Glenn Martin became a withdrawn, brooding figure. The bankers whose loans were in jeopardy, the airline operators whose planes were overdue, the Navy and Air Force, which together had supplied him with $400 million in backlog, had all seen what he could not bring himself to admit: That unless he yielded pride of place, his great enterprise was doomed. The only question, by late 1951, was whether the company would founder into bankruptcy before G.L. let someone else take charge.

It was in the face of these alarming circumstances that banker Denton, who handled the Martin situation for the Mellons, bethought himself of George Bunker, who was then running Trailmobile for Pullman. Denton suggested Bunker's name to his good friend, the late Howard Bruce of the prominent Baltimore family, the only member of the Martin board whom G.L. would listen to. Bruce was a businesman whose respect for capital was tempered by a strong sense of ethics and civic responsibility. An aristocrat and leading citizen of Baltimore, sitting on, when he did not preside over, the most important boards, he had reluctantly moved in alongside Martin in an effort to right things. While he himself had a substantial investment in the company and great affection for G.L., his first interest was to keep afloat Baltimore's largest single employer of labor, and a new hand at the controls was clearly necessary.

He had quietly measured and rejected a number of candidates. Finally, in January 1952, he decided to have a look at the man whom Denton admired. Bruce's diary records succinctly, "I had two or three conferences with Mr. Bunker and was most favorably impressed with him. The result was that, with the approval of Martin's board of directors, I made a deal with Mr. Bunker at a salary of $75,000 a year and options for 70,000 shares of Martin stock, which then had little, if any, value." From Bunker's view, the situation was not all that tidy. "A whole lot of people," he recalls, "were in the act. I was the only guy they could agree on—nobody had anything against me." With the title of president, he reported for work at the Baltimore plant on the morning of February 21—not just with the idea of quietly hanging up his hat but to bring down a monarch with one quick show of force.

THE EERIE TAKEOVER AND THE SWIFT TURNAROUND

According to an enduring account, Bunker went directly to G.L.'s office. It was a fine, big one, with paneled walls and a fireplace that took real logs. Dozens of autographed photographs covered the walls, and model airplanes of G.L.'s own design were perched on mahogany shelves. One door opened into a bathroom with a shower and dressing room, and another into a spacious conference room. This was a fortress from which G.L., still board chairman, never expected to be dislodged. It was his thought that a quite bare, two-window cubicle close by would do well enough for the stranger.

Bunker had already made up his mind where the chief executive should conduct business. As he crossed the thick carpet, he said politely, "Good morning." G.L. did not rise. Bunker pointed to a table beyond G.L.'s handsome desk. "Is that being used?" he asked. On the cold answer that it was not, Bunker walked to the table, pulled back a chair, sat down, flung open his briefcase, and then, with a masterly show of abstractedness, bent over the papers relating to the company's immediate situation with which he had been supplied by Bruce. During the next hour or so, not a word passed between the two men. G.L. took some telephone calls, his secretary came and went on tiptoe. When at last Bunker looked up in a silence that had turned eerie, it was to find that he was quite alone. G.L. never came back. Next day Bunker ordered that the office and the conference room be cut up so as to provide several additional offices.

A banker who watched the takeover was torn, as Bruce had been, between his respect for Bunker and his pity for the founder. "Bunker," he says in reflection, "must have decided that he had to end that one-man rule and the surest way was physically to smash all signs of it. It was a familiar tragedy—a once superior man grown old who refuses to change with the times or bow out gracefully. Luckily, it was only Martin's tragedy. The company was saved."

"LET'S GO FOR MISSILES"

Salvage was not all that easy. On Bunker's taking command at Martin, the directors of the company and the Defense Department put in train a series of actions that replenished the ebbing supply of working capital. Bunker swiftly brought down the alarming production costs of the B–57 bomber, then on the line, and also landed a development contract for a huge Navy flying boat, the Seamaster; by 1954 the company earned $15 million. Yet Martin's bomber was obsolescent, the flying boat would (as matters turned out) never have a real production run, and, finally, the post-Korean reconstruction of the military procurement programs under the Eisenhower administration had left the really important airframe production concentrated in the other "primes." After weighing the plane prospects day after long day Bunker finally arrived, sometime in 1953, at a conclusion that he put to his senior people in these words: "I don't see how we can ever bust our way back into the plane business. So let's go for missiles."

That was a brilliant decision, seen in hindsight. None of the multibillion-dollar rocket programs that sustain what now is called the aerospace industry, made up mostly of reconstituted airframe primes, were then in sight, let alone up for bids. Such leadership as Martin could claim in rocketry derived from a modest presence in a quite empty field. In fact, its business there produced less than $30 million in 1953, not quite 15 percent of the company's total billings. But Bunker had come to have an almost joyful confidence in the resourcefulness, technical competence, and imagination of the Martin staff. "I was amazed," he says, "by the talent there." Most of the Martin men were just as happy with him. "I never thought a man who was an utter stranger to the plane business—some of us called him 'that soup salesman'—would ever be accepted by us tinbenders as quickly as Bunker was," says William Bergen, now president of the Martin Co. division and chief engineer under G.L.

The dramatic changes in Martin's line of staples that followed Bunker's decision took many forms, but two were decisive. The transformation of the airframe industry in the mid-1950's was brought on by the Air Force's decision to produce strategic-range rockets—the so-called ICBM's. Convair won the competition for the starting weapon system, the Atlas; Martin stood off Douglas and Lockheed in the bidding for the backup system, the bigger and more complex Titan. Sure that he had finally landed something big and enduring, Bunker bought 6,000 acres of ranch land in the foothills of the Rockies east of Denver. There he built a new plant in which the company's investment rose swiftly to $34 million. Its 14,200 workers make this plant the biggest employer of labor in Colorado. Its billings this year, all for the Federal Government, are calculated to total nearly $410 million (down $60 million from 1962). During the 8 years the plant has been operating, it has produced close to $2 billion in revenues for the company.

While the Denver operation was only just getting underway, Bunker made another bold move. He acquired a big tract of land at Orlando, Fla., and there invested $27 million in another plant in the expectation that Martin would capture profitable pieces of the developing demand for tactical missilery. A brisk trade soon materialized with the Army, Navy, and Air Force. The Orlando division today is the largest industrial employer in Florida, with 11,000 workers. It is producing, among other weapons, the Army's Pershing rocket. This year it won a promising study contract for determining the feasibility of the rocket destroyer envisaged under the so-called Sprint concept, the only scheme for intercepting hostile ICBM's that Defense Secretary McNamara deems worthy of close study.

Still the Titan rocket is the vehicle that has lifted Martin—and Bunker—into a famous recovery. The immediate operational requirements of the Strategic Air Command will soon be met, and the military business is therefore slowing down. The space business, however, is picking up speed. Titan II is being adapted as a booster for the Gemini scheme, which is to put two men in orbit and experiment with rendezvous techniques. A much bigger rocket, Titan III, is in development for certain Air Force space missions and NASA is considering using it for exploration in far space. Under a reckoning that the company considers conservative, the demand for Titan III's should last until 1970 and generate upwards of $2 billion worth of business. In the meantime, though, Bunker has had to swallow a substantial disappointment—the loss to North American of the Apollo moon project, the biggest space contract up for bids. This was extremely worrisome, now that so much of him is up there.

BACK TO THE PIANO

In setting these and other enterprises afoot, Bunker was not satisfied merely to conduct the orchestra from Baltimore. On a memorable occasion he returned to the piano as a solist. During the summer of 1959, not long after the test firings of the Titan began at Cape Canaveral, the whole operation fell apart, or seemed to. The first four or five down-range shoots all fulfilled the test objectives—a performance that astounded everyone. Then the next two were failures. The Air Force became alarmed. So did the Department of Defense and Congress. Teams of Government experts raced to Denver. Martin's misfortunes came in the midst of the national breast-beating over the revelations of the supposed "missile gap." There was talk of canceling the Titan program altogether.

The day before Thanksgiving, Bunker dropped everything else, and moved to Denver, to take command of the Titan operation. He stayed "on the Hill," living in a

little suburban house, until the next fall. Bunker prowled the factory floor; some executives were switched around. Came another heartbreaking failure or two at Canaveral. Then, in February, the first of a series of successful down-range shoots. The crisis evaporated. Bunker insists that nothing fundamental had been wrong. "All I did was to simplify things," he says. "I got an unholy amount of credit that I didn't deserve." Still, what had been Martin's darkest hour became Bunker's finest.

A RUDE REPULSE

Martin by then was in fine shape. Sales in 1960 were $651 million, up 24 percent from the year before. Net earnings after taxes were over $16,800,000, up 26 percent. The company's 17.3 percent return on invested capital far surpassed that of the other major primes. (North American earned 11 percent, Boeing 10.3 percent, and Lockheed, and Douglas, and General Dynamics were in the red.) But Bunker had the sense all the while of walking on quicksand. No new strategic military systems, the great breadwinners for the primes, were in sight. The competition even for subcontracts had turned fierce.

"For several years," Bunker says of this period, "we had been looking around for some way to broaden our profit base and to diversify into other businesses. We had a guy on the staff who had nothing else to do but poke around and look into other companies." Bunker had already recruited several hundred engineers and physicists for a nuclear experimental division at Baltimore and was anxious to thrust deeper into electronics.

His first major move toward diversification was aimed at General Precision Equipment Corp. of Tarrytown, N.Y., predominantly a defense producer, but also a manufacturer of a wide variety of products for industry, including electronic-control and information systems. It was a substantial organization, with sales of $216 million, and Bunker as early as 1959 measured the property as promising ground for the diversification he sought. In any event, with the knowledge of the management, he bought into the company, until by early 1961 Martin owned, for an outlay of $11 million, about 15 percent of the voting stock. And for a while matters appeared to be progressing toward merger in friendly fashion.

Then, as later with Sperry Rand, a chill suddenly entered the atmosphere. In this instance a request by Bunker for a drastic change in the board of directors appears to have caused the breach. With little or no warning to him, General Precision, in February 1961, obtained an order in the Federal Court for the Southern District of New York enjoining him from buying any more shares in the company. They followed this up with a warning to the stockholders that Bunker was preparing to pounce on their property. A few months later Bunker politely sold its stock, pocketing, however, profits of nearly $3,900,000 after taxes.

This rude rebuff from General Precision had sudden and important consequences. In Chicago a spare, courtly gentleman of 70, extremely rich and very shrewd, had been following Bunker's misadventure on the business pages of his newspaper. This man controlled a confederacy of close to 100 companies whose sales were approaching $400 million a year. He was Grover Hermann, founder, ruler, and principal owner of the American-Marietta Co., the interests of which ran from the Atlantic to the Pacific and, in a small way, into Canada. Bunker's work at Martin had earlier caught Hermann's eye. He had read an account of how Bunker had straightened out the Titan program at Denver and had noted to himself that "a man who could do that must be pretty good." He was sufficiently impressed, in any case, to instruct his broker to purchase 500 shares of Martin common for his private account, and he therefore had a certain personal interest in the collapse of the negotiations with General Precision. Then, as Hermann sat in his pleasant office reflecting on Bunker's circumstances, an errant notion became pregnant in his mind. Why not consolidate American-Marietta with Martin, which was clearly bent on merger or acquisition? The idea was doubly appealing because Hermann, sensible of his advanced years, felt it was high time that "I put my finances in order, moved into at least semi-retirement, and made good dispositions for my own company's management."

The overture to Bunker was made in June and presently Hermann and Bunker met face to face in the latter's Washington office. Of that encounter, Bunker says, "Mr. Hermann and I had quite a long talk about general principles—such matters as the philosophy of management, the strengths and weakness of our separate enterprises, and the like. We got along fine and have done so ever since." There was, however, something else about the meeting that was memorable for Bunker. It was Hermann's easy narrative, as if by way of personal introduction, of American-Marietta's start.

Hermann had grown up in upstate New York, in Sullivan County, where, in the little town of Callicoon, his father owned a small lumber and building-materials business. Hermann had been a salesman for his father. One of the suppliers for which they were agents was an asphalt-paint company in Chicago that went into bankruptcy in 1913. The younger Hermann, then 23, had formed an acquaintance with a traveling salesman for the firm, and with $5,000 Hermann had saved the two men formed a partnership and bought up the bankrupt firm, which was revived as the American Asphalt Paint Co. In a little shop in Jersey City they produced a black asphaltic paint that was popular as a waterproofing for tin roofs. By 1929, having meanwhile moved to Chicago, they passed the million-dollar mark in sales, and profits were about $100,000.

A TRAVELING MAN FROM CALLICOON

Eighteen years later, in 1931, the partner was killed in an accident. Hermann bought out his interest and proceeded to expand the business. His first acquisition was a property making finishes for furniture manufacturers in the South—the Marietta Paint & Color Co. in the Ohio town of that name. Hermann adopted the name, and as he proceeded to pick up other small, local paint, adhesives, and resin companies American-Marietta became nationally known for its heavy-duty industrial paints; by 1948, with sales of $38 million, it stood fifth or sixth in the paint business.

Although doing well in his field, Hermann was dissatisfied. A student of corporate financial statements, he observed soon after the postwar construction boom was underway that companies producing the more basic building materials were reporting earnings well above the pretax 10 percent on investment that he was making from paint. So he bought up brick and concrete-pipe companies that caught his eye as he traveled the hinterland. Then cement gripped his attention. "Some companies," he told Bunker, "were showing a wonderful return—20 percent on investment after taxes." In 1954 he bought a cement company in Baltimore, and kept on buying until he finally had six more.

The traveler from Callicoon went on collecting properties right and left until his portfolio included perhaps 100 different enterprises. There probably never was a more acquisitive American businessman. If (as the story goes) Hermann did not actually pay for a company on the spot, from a sheaf of stock certificates conveniently at hand in an inside coat pocket, he usually managed such deals, by his own account, "without much fuss." As he says, "It was my habit to make up my mind quickly. If a company interested me, I'd visit the premises, look around, and size up the character of the people and the tidiness of the housekeeping. These are the important things, the things the business-analysis approach all too often misses. I came to know many wonderful people in my travels—families that generation upon generation had provided the business underpinnings of their communities, gentle, decent people, fine Americans you've never heard of—and I can say, with all the companies we acquired, that we never had any unpleasant surprises."

Bunker had the sense of listening to the happy ending of an old-fashioned classic of U.S. private enterprise. But as he sorted out the hard facts in the romantic tale what really engaged his curiosity, as a diversifier, was the revelation that American-Marietta, as a primary producer of heavy construction and building materials, was strategically placed to benefit from the surging demand associated with population growth. In the decade before, from 1951 to 1960, the company's sales had increased nearly sixfold, from $66 to $368 million; its earnings had risen better than eightfold, from $2,800,000 to $24,400,000; and the cash flow in 1960 was $41,200,000, more than 11 times what it had been 10 years earlier. The growth and earnings record was all the more appealing to Bunker because American-Marietta markets were governed by cyclical factors entirely different from those that affected Martin. "Khrushchev," Bunker has since noted, "makes and unmakes the defense market, but the growth of the American economy makes the market for building materials."

HOW THE BIG DEAL WAS MADE

Once committed, Bunker moved with lightning speed. In the third week of June 1961, only a few days after he and Hermann had first met, a proposal for merger was separately presented to the two boards, and both went for it. On October 10, 4 months after the first contact, the stockholders voted that the idea was fine with them, under terms giving the American-Marietta stockholders one share in the new company for each share they then held, and the Martin stockholders 1.3 shares of the new for each share they held.

In the readjustment the interests of founder Hermann, who became chairman of the board of Martin Marietta, were attended to. Under the terms of the consolidation the American-Marietta class B common, all of it in the Hermann family's possession or under his control, was wiped out. For it he took 380,000 shares of 4½ percent $100 par value cumulative preferred stock in the new company, all of which stock, like the other, is directly or indirectly in his possession. The transaction cost the Hermann interests about $4 million in the book value of their former holdings, but this was hardly a penalty, considering that their stock had been tightly locked in before. By agreement the company must set aside each year $1,150,000 as a sinking fund to be applied to the retirement of the preferred and, after October 1964, the company has the option, at a premium of 5 percent, of redeeming the entire issue, which is to say of liquidating the Hermann holdings.

Along with most of the founder's fortune, these shares are lodged in a family foundation, and the golden product of all the hard work and travel that began in Callicoon half a century ago has begun to flow to charities, schools, universities, and churches. Although Hermann continues on as board chairman, he is content to leave the active management to Bunker. Being a risktaker of a later school, Bunker, naturally enough, assesses the transaction in a somewhat different idiom. "Our problem at Martin," he says, "was to diversify with all deliberate

speed into a situation where we could participate in the general growth of the economy. When the American-Marietta offer came along, we grasped it. Maybe we were like the girl in the story who picked up the telephone and when a voice asked, 'Mandy, dear, will you marry me?' she said right away, 'Of course I will. Who's askin'?' "

THE FOLKTALE GOES MODERN

As Bunker delved into the dusty crannies of the American-Marietta establishment, he was both fascinated and troubled by what had come to his hand. American-Marietta, he discovered, was not so much an industrial empire as it was a loose, congenial confederacy of quite independent and intensely local enterprises that individually came under Hermann's cognizance in Chicago only when the sales or profits or one or another fell short of some agreed level. During the 2 years he has been chief executive of the consolidated enterprises, Bunker has been primarily occupied with lopping off the Marietta deadwood, centralizing the management over what survives of Hermann's congenial confederacy, and simply getting things turned around so as to face them in the direction he desires. Among the new talent he imported into his headquarters on Park Avenue, the most influential is the company's top financial man, Joseph E. Muckley, 53, a former Seattle banker. Muckley, and Martin's long-time lawyer in Baltimore, Clarence Miles, who is also a director, serve Bunker as his right and left bowers. There is no doubt, however, as to who makes the decisions. Bunker does. "Real management," he says, "must begin with a chief executive, good or bad, who is willing to take the rap for his acts."

In addition to tightening up the managerial contacts, Bunker performed a number of summary, even heroic, amputations. The paint business, from which Hermann's empire evolved, has been shed completely—sold in July to a Socony Mobil subsidiary reportedly for $25 or $30 million. Gone, too, is the conglomeration of small adhesives and resin plants, mostly on the west coast, that were supplying the plywood companies there. What with one thing or another, Bunker has voluntarily sold off for about $75 million, a sum slightly above book value, about 20 percent of American-Marietta's assets in less than 2 years. All together, these properties generated sales of $126 million in 1962, but while they constituted 14 percent of Martin Marietta's corporate assets, they contributed less than 9 percent to its profits.

UNDER THE GUN

Elsewhere, Bunker has been fitfully occupied with the chore of shedding the operations that incurred the censure of the Federal Trade Commission. Here, of course, he is retreating under a gun that first was pointed at Hermann. Martin Marietta is obliged to get rid of all its concrete-pipe business, save for seven small plants that Hermann himself had built. This will leave the company but 30 percent of its former market in these products. It is further obliged to dispose of some aggregates plants and quarries, and two lime plants. All together, the properties so affected represent an investment of $48 million, equal to 8 percent of Martin Marietta's total assets. At this writing, only a few of these properties have been sold, for sums totaling about $5,500,000. For the remainder, which Bunker must divest by March 1965, he expects to receive at least book value, and this should add about $43 million to the supply of free funds.

When all this is finished, the Marietta side of the business will have shrunk down to two main fields of operations—construction materials (principally cement, lime, and aggregates) and four specialty companies, only one of which is related to the construction business. Cement figures heavily in Bunker's calculations for the future, and lime and aggregates go along with it.

He has brought on stream—in Atlanta and Tulsa—two cement plants that Hermann had started, and he also purchased for $6 million a going plant at Bay City, Mich., with the objective of forcing his way into the Great Lakes market. These additions have raised Martin Marietta's cement capacity to 24,800,000 barrels, sufficient to place it along the top 10 producers. Bunker has also built a number of distribution terminals and is contemplating a strong move into the ready-mix concrete field in order both to expand and guard his outlets.

THE PROBLEM WITHIN BUNKER'S QUANDARY

The outcome of these various shifts, expansions, and divestitures is, on the one hand, a more shipshape corporate structure and, on the other, the quandary engendered by the cash accumulation, which Bunker cheerfully confesses imposes upon him an absolute necessity to stage in all good time some kind of major event. The divestitures are themselves a principal source of another and even more embarrassing problem for him—how to recover the nearly $10 million in earnings that have been lost betwen this year and last. For a substantial part of this reduction in earnings is attributable to the loss of income from the eliminated properties. Until the capital obtained from sale of properties is effectively at work—instead of drawing nearly 3.5 percent or so in interest at the bank—Bunker's stockholders are going to wonder just how the merger has improved their lot.

Their curiosity is sharpened by the fact that Martin Marietta's profits have been pulled down for other reasons. As previously pointed out, the cement and aerospace businesses, the two principal profit producers, have both declined. With Federal billings this year calculated to drop to about $700 million, sales and earnings from the military and space business are off approximately 13 percent. Profits from cement, lime, and concrete products, because of higher costs and the price cutting induced in the cement business by overcapacity, will be sharply down. On the figures, Bunker walked off one plateau onto another.

For the stockholders these conditions are reflected in a substantial drop in per-share operating earnings to an estimated $1.65 a share for 1963, compared to $1.91 in 1961. Martin Marietta common, which sold at close to $28 when the new stock came on the market in October 1961, was down $9 just 2 years later. In terms of the stock-conversion ratio arranged between the two companies, the American-Marietta stockholder has taken, since the eve of the merger, a loss of about 46 percent in the market value of his equity and the Martin stockholder one of about 37 percent. In terms of dividends, again related to the conversion rate, with the company paying $1 a share, the American-Marietta stockholder is no worse off than he was when on his own, and the former Martin stockholder is somewhat better off in 1963, since he is being paid at the rate of $1.30 a share, compared to the 85 cents he got before. And there is, of course, for both groups that remarkable cash generation—$3.49 per share the first year, $3.62 last year, and an estimated $3.25 this year.

All of which brings us back to Bunker's central problem. Where will he put the money? It was in pursuit of an answer to this question that he approached Sperry Rand. "My interest in Sperry Rand," Bunker says, "was engaged by the fact that its situation was not unlike that of Martin Marietta—it with nearly half its sales in the defense and space areas, we with better than two-thirds of ours there, and both of us deeply mixed up in unrelated commercial businesses." With the knowledge of President Vickers, he accumulated about 3 percent of Sperry Rand's stock and went on the board last spring. "As a party of interest," he says, "I could ask questions."

During Bunker's several conversations with Vickers, merger was never openly mentioned. But it was in Bunker's mind, if not zestfully. Much more to his preference would have been some sort of highly selective, joint operation. Sperry Rand's expertise in certain military components would enlarge Martin Marietta's competence as a systems manager. Bunker furthermore hungers for a position in the data-processing field, and Sperry Rand's Univac would give him that, were Vickers of a mind either to sell that division outright or to detach it and invite Martin Marietta in as a partner. All that idle cash under Bunker's mattress could, in the latter circumstance, provide the working capital needed for financing those costly machines on lend-lease.

WAITING FOR THE RIGHT COMPANY

That opening having vanished, Bunker is left for the time being with no place to go. He professes to be sanguine. "Remember," he says, "the quandary is one with which we deliberately confronted ourselves. When we decided to sell off the Marietta operations, we had the choice of holding off until we had selected some other more promising investment. Instead of cutting off the dog's tail in thin slices, we elected to do the job in one stroke." Bunker also knows the kind of rifle to which he would like to fit his explosive charge of cash. "The proposition that would make most sense to us," he observes, "is one that would take us either into another business having, like the Martin Co., a high technological content or closely related to the growth of the country."

A number of easy, cautious alternatives are, of course, available to him. He could, for example, tidy up Martin Marietta's financial structure by redeeming all the Hermann preferred, or by buying in some of the company's shares, thereby enhancing the earnings of the common. As he answered one of his stockholders in the spring, the latter course would be a form of cannibalism. He could cut the melon by increasing the $1 dividend on the common, which last year represented a payout of less than 54 percent of operating profits. This solution does not interest him either.

Bunker, in a word, still is stumped. The pressure on him is all the more intense for the reasons that many companies are likewise accumulating large amounts of surplus cash; that many sizable mergers and acquisitions have taken place or are in negotiation; and that in the present climate the asking price being demanded by candidates for merger or purchase are becoming less attractive in relation to their present or potential earnings. Should an opportunity for a great leap forward be denied him, Bunker is not foreclosed from being absorbed by a larger company. Being a pragmatist, he would probably not be averse, so long as his stockholders benefited, to having Martin Marietta linked as a junior partner to some larger corporation, possibly even one of the big motor companies, which lacks a commanding position in the defense technologies and which could use the cash in its own business. In the meantime, all is suspense. It is an interesting situation.

THE AMA—HANDMAIDEN TO THE TOBACCO INDUSTRY?

Mrs. NEUBERGER. Mr. President, future historians may look upon many of our most cherished institutions as quaint and quizzical, and one of these may be the American Medical Association.

The latest AMA exercise in errant behavior took place just yesterday in my own city of Portland, at present host to the AMA house of delegates convention.

Yesterday morning, the delegates received a monumental report from Dr. E. Cuyler Hammond, director of research for the American Cancer Society, The report, a summary of which I shall include at the close of my remarks, was designed to test criticisms of earlier statistical researches which had been interpreted as demonstrating a causal relationship between smoking and disease. In the words of Dr. Hammond, the "results fully confirm findings in previous studies."

The unequivocal nature of the report left the AMA two rational courses of action: First, the delegates could accord official sanction to the Cancer Society's findings. The AMA, virtually alone among major medical groups, has failed to take an official position on the relationship between smoking and health, though critics such as Dr. I. S. Ravdin, former president of the American Cancer Society, have long accused the AMA of "pussyfooting" in its approach to smoking and health.

As a second alternative, the delegates might reasonably have determined to abide by the March 12, 1963, statement of Dr. Blasingame, executive vice president of the AMA, that the AMA would wait upon the pending report of the Surgeon General's Advisory Committee on Smoking and Health and would, "after a study of the report, make a statement based on a critical evaluation of the data." At that time, the AMA announced the abandonment of a planned AMA Council on Drugs study of the relationship between tobacco and health. Dr. Blasingame explained that "since Surgeon General Luther Terry has appointed a committee of outstanding scientists to conduct such a study, the AMA's council felt that there should not be a duplication of effort."

The medical world is expectantly awaiting the Surgeon General's report, scheduled for publication within the next month. I may add that the nonmedical world *is also curious.*

Which course did the delegates select? Neither. Without acknowledging the Cancer Society report or the pending Surgeon General's report, the delegates adopted a "long range, comprehensive program of research on tobacco and health" proposed by the AMA board of trustees. Why? "Because so many gaps exist in knowledge about the relationship of smoking to health."

No one questions the need for further research in exploring the precise mechanism by which smoking causes and aggravates disease. And the initiation of a program of research by the AMA, however belated, is a welcome addition to the research program.

But these truisms should not obscure the undeniable import of the board's statement and the delegates' action: That not enough is known of the relationship between smoking and disease to justify remedial action now.

Thus, the board of trustee's statement never acknowledges the extraordinary body of evidence incriminating smoking, and in so doing magnifies the "gaps."

The closest that the board comes to recognizing the established relationship between smoking and death is the following pallid sentence:

> A mass of statistical information has been developed indicating certain relationships between smoking and disease which cannot be ignored, even though the significance of them in terms of cause and effect is still being debated.

This kind of equivocal statement virtually ignores the harsh and dramatic conclusions of the Hammond-Cancer Society report.

Mr. President, this has been a long established excuse of the tobacco industry, and now of the AMA, for not further exploring the relationship between smoking and health. They say, "We do not know what causes cancer." I may say, Mr. President, that we treat the common cold without knowing its cause.

The board expressed the need "to go beyond statistical evidence, to search for answers not now available to such questions as which diseases in man may be caused or induced by the use of tobacco." Beyond statistics to what? Occult inspiration?

This is what the Hammond report had to say on that score:

> It has sometimes been suggested that the association between cigarette smoking and death rates might conceivably result merely from an incidental association between cigarette smoking and some other factor(s) which has a great influence on death rates.
>
> This is extremely unlikely in light of: (1) The quantitative relationship between death rates and the degree of exposure to cigarette smoke, (2) the finding that among ex-cigarette smokers death rates diminish with length of time since last smoking, (3) the known biological effects of some of the components of cigarette smoke, and (4) pathologic evidence of the effects of cigarette smoking upon bronchial epithelium and the tissues of the lung parenchyma.
>
> Nevertheless, we decided to investigate the matter by studying the death rates of cigarette smokers and nonsmokers who were alike in respect to many characteristics other than their smoking habits.

The results: Twice as many deaths among the smokers of 20 or more cigarettes a day as among like subjects who had never smoked regularly.

The board acknowledges the "extraordinary social, legislative, and economic implications" of the evidence and gratuitously suggests that "prohibition" would be "unrealistic, even if causal relationships were irrefutably established."

Yet no responsible medical or public official is recommending prohibition.

What is being recommended is a moderate and rational program designed to meet the severe medical evidence against smoking, within the democratic framework. The board jumps from the acknowledgment that "prohibition is unrealistic" to conclude that: "Because of these social, legislative, and economic aspects of the problem and because so many gaps exist in the knowledge of the relationship of smoking to health, it is the belief of the board that an intensive, long-range research program, such as is proposed, is imperative."

In other words, because prohibition is unrealistic, all that this Nation can do, to respond to the evidence that smokers are dying at twice the rate of nonsmokers, is to engage in long-range research.

Is it not a little late for the AMA to tell us to start at the beginning? Of course, we need additional research; but what we need more, and now, is unequivocal warning to every American that smoking, by whatever mechanism, is a serious threat to health.

The board's statement appears almost deliberately designed to discredit the pending Surgeon General's report. The board said:

> It is logical that the American Medical Association, as a national organization with historic concern for all matters affecting public health, should be the organization to sponsor such a research project. * * * In fact * * * the AMA–ERF—

The Educational Research Foundation—

> is in a unique position in this respect because of the professional stature of the AMA which would insure public confidence in such a tobacco research project.

Since the AMA feels that it should be "the" organization, and that it occupies a "unique position" of respect, I take it that the Public Health Service is therefore an inappropriate agency to evaluate the evidence against smoking. This is, of course, sheer nonsense.

Moreover, the board self-righteously announces that—

> A director for this project will be procured whose experience, qualifications and integrity will insure that such a research project will be conducted, exhaustively and with complete objectivity.

Are we to conclude, therefore, that the scientists selected by the Surgeon General somehow lack these qualities?

The AMA had previously recognized the desirability of an AMA official position on smoking and health. Yet, yesterday's action seems also to have abandoned that objective. Nowhere does the board's statement contemplate a time limit for an authoritative conclusion by the AMA that "cigarette smoking is harmful."

Mr. President, I do not know why the AMA has taken this action in this way, at this time. But I do know that this action could not have been better designed to achieve the objectives of the American tobacco industry. So long as the industry succeeds in convincing the American public that the verdict on smoking is not in, that great "gaps" of knowledge remain, that the evidence is still subject to "debate," the vast majority of habitual smokers will be able to rationalize their habit, comforting themselves with the belief that the case against the cigarette remains "unproved."

The New York Times turned to the Tobacco Institute this morning for its reaction to Dr. Hammond's findings. The answer was neatly at hand. George V. Allen, president of the Tobacco Industry Institute said:

> It is interesting to note that following Dr. Hammond's report, the AMA today approved a program for the AMA's Education and Research Foundation to undertake an extensive, long-range research program on smoking and health * * * designed to probe beyond the statistical evidence.
>
> We welcome any program for further scientific research in these important health

fields, where so many questions remain unresolved.

Mr. President, the line from Mr. Allen that particularly intrigues me is the one in which he questions the value of statistical evidence. Yet I find that the very organization which is going "to probe beyond the statistical evidence"—the American Medical Association—frequently uses statistics to show that there is no need for the administration's plan to provide health care for elderly people. Only last week there was published in the Portland Oregonian, as the result of the AMA meeting there, an article stating that the president of the AMA said there is now increasing evidence of less need for hospital care for the elderly. So he was quoting statistics. He also often quotes statistics to show that the Kerr-Mills bill is the answer to the health problems for the elderly.

Mr. President, statistics are very handy when one wishes to use them; but if one does not wish to use them, there seems to be an inclination to state that they are ineffective or inconclusive.

And Dr. C. C. Little, chairman of the Tobacco Industry Research Committee chimed in:

We are gratified by the reports of the AMA's recognition of the need for additional research on smoking and health.

Mr. President, in 4 weeks or so, when the Surgeon General's committee announces its conclusions, what will the response of the Tobacco Institute be?

"Yes, but the AMA, which speaks for the Nation's doctors——", and once again as it has for the last 15 years, the tobacco industry will possess a weapon, however shoddy, to stave off a meaningful public health response to the evidence against smoking.

Mr. President, in addition to the statements contained in Dr. Hammond's Cancer Society study, one of the outstanding Members of the House of Representatives, Representative MORRIS UDALL, has just issued a most interesting news report to his constituents, in which he refers to the reaction of the tobacco industry to any reports showing the hazards of smoking. I think his analogy and description most apt to this time. Very often the tobacco industry's research committee says, "The facts are not all in." Representative UDALL replies as follows:

The committee's main theme is: "but the facts aren't all in." In the world of science the facts are never all in; Galileo or Newton or Einstein may ultimately be proved wrong on some theory as new facts turn up. However, we built modern science on the discoveries of Galileo and Newton, and we built an atomic bomb with Einstein's theories. Surely the causal relationship between smoking and lung cancer (or heart disease) requires no greater order of proof. In truth, nearly all medical scientists agree that the case has been made.

An eminent scientist from the private research institution, the Sloan-Kettering Institute, talked with me at some length upon this subject, and said that regardless of all the studies and research and animal tests, we finally come back to the showing that there is very little lung cancer among nonsmokers.

Mr. President, I ask unanimous consent to have printed in the RECORD various articles concerning Dr. Hammond's study, as published in the New York Times and the New York Herald Tribune, together with correspondence which I have had with the American Medical Association during the past 2 years on the subject of smoking, a statement by the executive vice president of the AMA on March 12, 1963, and yesterday's "news release" from the AMA.

There being no objection, the articles and letters were ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 5, 1963]

CANCER SOCIETY REPORT AFFIRMS HIGHER DEATH RATE FOR SMOKERS

(By Harold M. Schmeck, Jr.)

A new mass of statistical data linking cigarette consumption with death rate was reported yesterday.

The report was described by its author, Dr. E. Cuyler Hammond, as the first real analysis of information gathered by the American Cancer Society in a huge health study that began October 1, 1959.

Dr. Hammond's report analyzed the records of 422,094 men over 40. The analysis represents only one phase of the study, which is probably the largest and most extensive of its kind ever attempted.

The entire study is designed to seek meaningful statistical relationships between health and illness and various factors of environment, personal habits, and heredity.

Altogether, some 1,078,894 men and women have been enrolled in the prospective study.

A key feature of the analysis presented yesterday, at a meeting of the American Medical Association, was data showing that men who smoked 20 cigarettes or more a day had higher death rates than nonsmokers who were matched with the smokers with respect to many other personal characteristics.

The disparity in death rates held for all age groups and all causes of death studied, according to the report.

This kind of evidence was gathered to test the possibility, suggested by critics of previous statistical studies, that the smokers and nonsmokers differed from each other in fundamental ways other than smoking and that it was these other fundamental differences that accounted for the disparity in death rates.

The Tobacco Industry Research Committee, which sponsors research on smoking and health, declined to comment on Dr. Hammond's report except to say that it expected to study the report in detail.

"It is an analysis of a large body of complex statistical data which certainly deserves and requires serious scientific review," the committee said.

George V. Allen, president of the Tobacco Industry Institute, said: "It is interesting to note that following Dr. Hammond's report, the AMA today approved a program for the AMA's education and research foundation to undertake an extensive, long-range research program on smoking and health * * * designed to probe beyond the statistical evidence."

"We welcome any program for further scientific research in these important health fields, where so many questions remain unresolved," Mr. Allen said.

Dr. Hammond, who is director of statistical research for the American Cancer Society, presented his report yesterday in Portland, Oreg., to the 17th annual clinical meeting of the medical association. Copies of the report had been distributed earlier to news media.

Dr. Hammond's report said that the new analysis confirmed the several earlier studies that had shown statistical relation to those who had started to smoke earlier in life.

The new analysis, Dr. Hammond said, also covers "a great many factors which were previously not covered or only partially covered."

Death rates were found to be far higher among men who smoked cigarettes heavily than in men who did not smoke. Death rates were found to increase with the number of cigarettes smoked each day and with the degree of smoke inhalation. Death rates were also found to be higher for men who had started to smoke earlier in life.

There have been at least six major previous statistical studies on smoking and health during the last decade. These have convinced many specialists and several major organizations that excessive cigarette smoking constitutes an important health hazard.

A few scientists of excellent scientific reputation have always disputed that this proposition has been proved by the statistics. They have pointed out that an association between two events does not necessarily imply a cause-and-effect relation between them.

The critics have also suggested that differences between smokers and nonsmokers far more basic than the smoking habit itself may be responsible for the statistical correlations that have been observed.

CAUSES OF DEATH IN STUDY

Following is a table comparing deaths, by causes, among 36,975 men who never smoked regularly and 36,975 men who were smoking 20 or more cigarettes a day at the time of enrollment in the study:

Underlying cause of death	Number of deaths	
	Never smoked regularly	Cigarettes, 20 or more a day
Cancer (total)	96	261
Lung	12	110
Buccal; pharynx	1	3
Larynx	0	3
Esophagus	0	6
Bladder	1	2
Pancreas	6	16
Liver and biliary passages	1	7
Stomach	9	10
Colon; rectum	20	25
Other specified sites	43	64
Site unknown	3	15
Heart and circulatory (total)	401	854
Coronary	304	654
Other heart	30	64
Aortic aneurysm	8	30
Cerebral vascular	44	84
Other circulatory	15	22
Other diseases	73	127
Emphysema	1	15
Gastric ulcer	3	5
Cirrhosis of liver	9	17
Other specified diseases	59	86
Ill-defined diseases	1	4
Accidents; violence; suicides	58	66
Total death certificates	628	1,308
No death certificates	34	77
Grand total	662	1,385

In a telephone interview before his talk, Dr. Hammond said the new study had sought to answer these criticisms.

"It has sometimes been suggested," the report said, "that the association between cigarette smoking and death rates might conceivably result merely from an incidental association between cigarette smoking and some other factor(s) which has a great influence on death rates." The report went on:

"This is extremely unlikely in light of: (1) the quantitative relationship between

death rates and the degree of exposure to cigarette smoke; (2) the finding that among ex-cigarette smokers death rates diminish with length of time since last smoking; (3) the known biological effects of some of the components of cigarette smoke, and (4) pathologic evidence of the effects of cigarette smoking upon bronchial epithelium and the tissues of the lung parenchyma.

"Nevertheless, we decided to investigate the matter by studying the death rates of cigarette smokers and nonsmokers who were alike in respect to many characteristics other than their smoking habits."

(Bronchial epithelium is the tissue lining the insides of the air passages leading to the lungs' air sacs. Parenchyma refers to the air sacs themselves.)

SELECT 36,975 PAIRS

From the 422,094 men in the population under study, Dr. Hammond and his colleagues culled 36,975 smokers who could be rematched on many points of history, habit, and health with 36,975 nonsmokers.

The information on these men came from answers they had supplied to detailed questionnaires since the study began. In the cases of those who had died this was supplemented by information from the death certificates and from the attending doctors.

The 2 men in each pair had to match in each of 16 respects. These were:

Race; height; nativity (native or foreign born); residence (rural or urban); urban occupational exposure or lack of exposure to dusts, fumes, vapors, chemicals, radioactivity and the like; religion; education; marital status; drinking of alcoholic beverages; usual amount of sleep; usual amount of exercise; presence or absence of severe nervous tension; use of tranquilizers; health or sickness at time of reply to questionnaire; a history, or lack of history, of cancer; the same for heart disease.

Because it was hard to match persons who had any highly unusual characteristics the resulting pairs needed to be those who were average in several of the respects considered.

Dr. Hammond said that any two men who were similar on all of these points, would also, presumably, tend to be similar in many other respects. The point here was that he and his colleagues were attempting to find men who differed little except in their smoking habits.

The difference, in this respect, was between men who smoke 20 or more cigarettes daily and men who had never smoked regularly.

The deaths among men of these 36,975 matched pairs were then studied. From the start of the project to September 30, 1962, there were 1,385 deaths among the 36,975 cigarette smokers and 662 deaths among the equal number of nonsmokers—a difference of almost exactly two to one although the pairs were also matched in terms of age.

CAUSES ANALYZED

In every 5-year age group, from that of 40 to 44 to that of 75 to 79, there were substantially more deaths among cigarette smokers than among the nonsmokers.

The deaths among the men of the matched pairs were also analyzed according to cause of death. Of the cigarette smokers 110 died of lung cancer while only 12 of the nonsmokers died of that cause.

Cancer of the buccal cavity (inside of the mouth) and of important structures inside the throat killed 12 of the smokers and 1 of the nonsmokers. Emphysema, a condition in which the air spaces inside the lungs are enlarged and abnormally ineffective in their work, accounted for the deaths of 15 smokers and only 1 nonsmoker.

Coronary artery disease—disease of the heart's arteries—was the principal cause of death in both groups, accounting for the deaths of 654 cigarette smokers and 304 nonsmokers.

Beyond the matched pairs, the report also analyzed groups of smokers and nonsmokers—among the 422,094 men—who matched with respect to various single factors, ranging from the longevity of their parents or grandparents to the amount of fried foods the men ate each week and their degree of baldness.

RESULTS ARE SIMILAR

Tables of age-standardized death rates were drawn for these groups and also showed substantially higher death rates for the smokers than for the nonsmokers.

There was no category in which the nonsmokers' death rate was as high as that for the corresponding group of smokers.

Age-standardized death rates are death rates adjusted to take into account the differences between age groups. Generally, death rates increase with increasing age.

Oddly enough, the death rates of men classified according to their use of fried foods showed that the lowest death rates were among the heaviest users. This was true both of smokers and nonsmokers. It may be a reflection of a tendency to stop eating fried foods among men who become ill, Dr. Hammond suggested.

He said he was particularly intersted in the data showing that the shortest and tallest men, both smokers and nonsmokers, had higher death rates than men of middle height. Future aspects of the study will devote great attention to many of those factors other than smoking that do show unusual correlation with death rates or disease, he said.

DEATHS BY AGE GROUP

Following is a table comparing deaths, by age group, among 36,975 men who never smoked regularly matched with 36,975 men who were smoking 20 or more cigarettes a day at the time of enrollment in the study:

Age group	Never smoked regularly		Cigarettes, 20 or more a day	
	Number of men	Number of deaths	Number of men	Number of deaths
40 to 44	3,410	15	3,410	40
45 to 49	10,468	59	10,468	192
50 to 54	9,583	123	9,583	252
55 to 59	6,534	135	6,534	323
60 to 64	3,990	150	3,990	254
65 to 69	2,083	98	2,083	193
70 to 74	747	64	747	98
75 to 79	160	18	160	33
Total	36,975	662	36,975	1,385

[From the New York Times, Dec. 5, 1963]

Table of age-standardized death rates

[Table of age-standardized death rates per 100,000 man-years comparing groups of men who never smoked regularly and men who smoked 20 or more cigarettes a day. The smokers and nonsmokers are matched according to other characteristics]

Definition of subgroup	Age-standardized death rates	
	Never smoked regularly	Cigarettes, 20-plus a day
Family history:		
Long lived (parents, grandparents)	592	1,261
Short lived (parents, grandparents)	913	1,832
Cancer:		
1+ (parents, siblings)	758	1,610
2+ (parents, siblings)	746	1,752
Long lived: No cancer	614	1,291
Short lived: 1+ cancer	875	1,827
Age of mother at birth of subject:		
Under 20	796	1,828
20 to 24	773	1,635
25 to 29	784	1,507
30 to 34	686	1,459
35 or older	788	1,487

Table of age-standardized death rates—Continued

[Table of age-standardized death rates per 100,000 man-years comparing groups of men who never smoked regularly and men who smoked 20 or more cigarettes a day. The smokers and nonsmokers are *matched* according to other characteristics]

Definition of subgroup	Age-standardized death rates	
	Never smoked regularly	Cigarettes, 20-plus a day
Number of brothers and sisters:		
No siblings	987	1,775
1 sibling	880	1,689
2 siblings	795	1,577
3 or more siblings	800	1,563
Height of subject:		
Under 66 inches	1,065	1,782
66 to 67 inches	815	1,705
68 to 69 inches	806	1,620
70 to 71 inches	784	1,529
72 to 73 inches	687	1,481
74-plus inches	735	1,672
Religion:		
Protestant	790	1,578
Catholic	858	1,607
Jewish	1,095	1,522
Education:		
Grammar school or less	945	1,703
Some high school	864	1,637
High school graduate	766	1,594
Some college	755	1,550
College graduate	676	1,439
Race and nativity:		
Native born white	789	1,595
Foreign born white	859	1,423
Negro	1,358	2,317
Years in present neighborhood:		
Under 3 years	960	1,803
3 to 4 years	796	1,572
5 to 9 years	852	1,500
10 to 19 years	782	1,592
20-plus years	800	1,603
Place of residence and occupational exposure:		
Rural	815	1,507
Town or suburb:		
No occupational exposure	816	1,659
Occupational exposure	770	1,495
City:		
No occupational exposure	844	1,596
Occupational exposure	740	1,702
Disease history:		
Yes	1,916	3,120
No	502	1,125
Marital status:		
Single	1,074	2,467
Married	796	1,560
Widowed	1,396	2,570
Divorced	1,420	2,675
Selected occupations:		
Farmers	716	1,451
Teachers, lawyers, clergy	762	1,359
Doctors, dentists, veterinarians	727	1,740
Fried food:		
No fried food eaten	1,208	2,573
1 to 2 times a week	1,004	1,694
3 to 4 times a week	642	1,714
5 to 9 times a week	781	1,520
10 to 14 times a week	722	1,524
15-plus times a week	702	1,399
Nervous tension:		
No nervous tension	876	1,713
Slight nervous tension	777	1,589
Moderate nervous tension	776	1,493
Severe nervous tension	881	1,783
Use of common medicines:		
Use tranquilizers	1,308	2,286
Do not use tranquilizers	755	1,501
Use laxatives	883	1,661
Do not use laxatives	727	1,515
Use antiacid medicines	748	1,593
Do not use antiacid medicines	830	1,577
Exercise:		
None	834	1,416
Slight	579	1,347
Moderate	486	1,065
Heavy	474	998
Sleep:		
Under 5 hours	2,029	3,936
5 hours	1,121	2,655
6 hours	805	1,601
7 hours	626	1,426
8 hours	813	1,562
9 hours	967	1,729
10 plus hours	1,898	2,694
Baldness:		
None	768	1,550
Slight	851	1,572
Moderate	792	1,720
Much	903	1,614

[From the New York Times, Dec. 5, 1963]

SUMMARY OF CANCER SOCIETY'S REPORT ON SMOKING

(Following is a summary of the findings from a report titled "Smoking in Relation to Mortality and Morbidity. Findings in First 34 Months of Follow-Up in a Prospective Study Started in 1959." Dr. E. Cuyler Hammond, director of statistical research of the American Cancer Society, presented the report yesterday in Portland, Oreg., to the 17th annual clinical meeting of the American Medical Association)

1. Death rates in relation to smoking habits and other factors were studied in 422,094 men between the ages of 40 and 89 who were traced for an average of 34.3 months after they answered detailed questionnaires.

2. The results fully confirm findings in previous prospective studies. Death rates were found: (a) to be far higher in cigarette smokers than in men who did not smoke cigarettes, (b) to increase with amount of cigarette smoking and (c) be lower in ex-cigarette smokers who had given up the habit for a year or longer than in men who were currently smoking cigarettes at the time of enrollment. Death rates from the following diseases were greatly higher in cigarette smokers than in nonsmokers: cancer of the lung, cancer of the buccal cavity and pharnyx, cancer of the larynx, cancer of the esophagus, cancer of the bladder, cancer of the pancreas, gastric ulcer, emphysema and aortic aneurysm. Death rates from coronary artery disease were considerably higher in cigarette smokers than in nonsmokers and this accounted for nearly half of the difference in total death rates between cigarette smokers and nonsmokers.

3. Lung cancer death rates were 11 times as high among current cigarette smokers as among men who never smoked regularly and 18 times as high among very heavy cigarette smokers as among men who never smoked regularly. Lung cancer death rates were considerably lower among ex-cigarette smokers who had given up the habit for several years than among current cigarette smokers.

4. Coronary artery disease death rates were highly related to cigarette smoking among men in the middle age groups but less related to cigarette smoking among men in the old age groups. In age group 40 to 59, the coronary artery disease death date was 1.95 times as high among light cigarette smokers as among men who never smoked regularly; and 3 times as high among men who never smoked as among men who had never smoked regularly. Ex-cigarette smokers who had given up the habit for several years had lower death rate from coronary artery disease than current cigarette smokers.

5. A study was made of men who were hospitalized and men who developed cancer, heart disease or gastric and duodenal ulcers during the first 2 years of the study. The proportion of men hospitalized and the proportion who developed these diseases was considerably higher among cigarette smokers than among nonsmokers and increased with amount of cigarette smoking.

6. Death rates were found to be highly related to degree of inhalation of cigarette smoke and age at start of cigarette smoking. Age at start of cigarette smoking appears to be particularly important in this respect.

7. Death rates of cigarette smokers and nonsmokers were studied in relation to many other factors such as longevity of parents and grandparents, cancer in parents and siblings, height, exercise, sleep, race, religion, education, marital status, nervous tension, and prior history of certain diseases. Within every group studied, the death rate of men who smoked 20 or more cigarettes a day was considerably higher than the death rate of nonsmokers.

8. Nonsmokers were matched individually with men who smoked 20 or more cigarettes per day, the two men in each matched pair being similar in respect to: age, height, race, nativity, religion, marital status, residence (urban or rural), certain occupational exposures, education, drinking habits, nervous tension, use of tranquilizers, sleep, exercise, well or ill at time of enrollment, and past history in respect to cancer, heart disease, stroke and high blood pressure. Altogether 36,975 such pairs were found. During the course of the study, 1,385 of the 36,975 cigarette smokers died, while only 662 of the nonsmokers died. Of the cigarette smokers, 110 died of lung cancer and 654 died of coronary artery disease while of the nonsmokers, 12 died of lung cancer and 304 died of coronary artery disease. Emphysema accounted for the death of 15 cigarette smokers but only 1 of the nonsmokers. Far more of the cigarette smokers than the nonsmokers died of cancer of the buccal cavity, pharynx, larynx, and esophagus; cancer of the pancrease; cancer of the liver; aortic aneurysm, and several other diseases.

[From the New York Herald Tribune, Dec. 5, 1963]

SMOKING—MOST DAMAGING STATISTICS YET

MILESTONES IN DEBATE

In 1939: Cologne doctor, comparing 80 male lung cancer patients with 80 healthy males, found much more smoking among cancer patients.

In 1950: Drs. Ernest Wynder and Evarts Graham find excessive use of cigarettes an important factor in lung cancer.

In 1954: American Cancer Society study of 187,766 men indicates death rate among smokers is 75 percent higher than nonsmokers.

In 1957: U.S. Surgeon General says evidence indicates excessive smoking is one of the causative factors in lung cancer.

In 1958: Tobacco industry sets up unit to sponsor research on tobacco and health.

In 1962: Study of American Tobacco Co. workers finds they smoke heavily, yet have no deaths from lung cancer.

In 1962: British Royal College of Physicians reports heavy smoking cuts life expectancy, government begins campaign to alert public of dangers.

THE STATE CAMPAIGN

(By Joseph R. Hixson)

The matchbook bearing the New York State seal says, "I used to smoke with both lungs." A poster says, "Ashes to ashes. Here lies a man who went up in smoke."

The respected cancer research arm of the New York State Department of Health, Roswell Park Memorial Institute in Buffalo, is distributing 100,000 matchbooks and 12,000 posters in this State, aimed at persuading school children and adults not to smoke.

The money to pay for Roswell Park's vigorous antismoking campaign comes mostly from private contributions but there's also a State health department educational allotment, approved in Albany but not yet distributed to the institute.

That's not surprising, considering Health Commissioner Dr. Hollis S. Ingraham's remarks last spring.

"There is now adequate evidence," he said, "to satisfy me and I think most other people that cigarettes are killing, through the mechanism of coronary heart disease, two to three times as many people as they are killing through the mechanism of lung cancer. * * * Here then is a lethal agent that is killing more people than any other single recognized noxious agent, more than any combination of bacteria, more than any known virus, more than the American automobile, yet we aren't doing very much about it."

Reached by telephone, Dr. George E. Moore, Roswell Park director, said his hospital's posters, matchbooks, and antismoking clinics are frankly aimed at determining the most effective methods of fighting the smoking habit.

Dr. Moore said it doesn't look as if the nicotine substitutes are much use in helping smokers kick the habit. He said the "stop smoking" clinics at Roswell Park are working fairly well, with 80 percent of smokers off cigarettes after the first week, and all smoking fewer cigarettes at the end of a month. The institute is now working with its fourth group of heavy smokers.

Dr. Moore said the antismoking matchbooks will be discontinued after distribution of 100,000, but he noted that 1,000 posters with varying "Don't smoke" messages had been sent out last week.

He said some U.S. National Institutes of Health funds have been allocated to the smoking clinics because they are aimed at finding why people smoke and how they can stop.

In California, six statewide organizations have joined forces in a campaign to alert the public to the effects of cigarette smoking.

The united organization, called the California Interagency Council on Cigarette Smoking and Health, was formed Tuesday, by the American Cancer Society, the California Heart Association, the California Medical Association, the California State Department of Education, the California State Department of Public Health, and the Tuberculosis and Health Association of California.

Dr. Sol R. Baker, Los Angeles, radiologist and chairman of the council said its first move would be to prepare information for use in schools to warn against cigarette smoking.

THE COMPUTER STORY

(By Earl Ubell)

The numbers flowed from the American Cancer Society's electronic computer in New York faster than cigarettes from a factory. At the end, it was quite clear: the statistics had drawn a web of logic more tightly than ever around cigarette smoking as a destroyer of men.

Dr. E. Cuyler Hammond, pipe-smoking head of statistics for the society, gave these computer results on 442,000 men—no women included—yesterday to the Portland, Oreg., sessions of the American Medical Association. His full paper was also made available in New York.

In the broadest study of the cigarette puzzle ever attempted, Dr. Hammond illuminated more clearly than ever before the associations between cigarette smoking (but not pipes or cigars) and lung cancer, cancer in general, stomach ulcers, heart attacks and such breathing troubles as emphysema.

Once again, the lung cancer hunters found that coronary artery heart attacks accounted for more of the deaths among smokers than nonsmokers. In fact, the death rate among heavy smokers was twice that of nonsmokers and therefore cigarette smoking could be said to kill more men from heart disease than lung cancer.

And then there were the new findings: proof that the more deeply you inhale cigarette smoke, the greater your risk of death; proof that the younger you were when you took to the weed, the greater your risk of death; proof that if you stop smoking longer than a year, you can prolong your life; proof that smokers end up in the hospital more often.

Finally, in a spectacular statistical tour de force, Dr. Hammond found 37,000 pairs of men, each pair identical in 14 respects—height, race, etc.—except that one man of each pair smoked 20 cigarettes a day, the other didn't smoke. Result: the smoker's death rate was twice as high as the nonsmokers'.

This finding was at the core of Dr. Hammond's central theme: a logical refutation of the criticisms of his previous study of 187,000 men (which he did with Dr. Daniel Horn starting in 1951). It comes at a time when the U.S. Public Health Service is in the throes of preparing a report on cigarette smoking and health.

After the report was presented, the American Medical Association's policymaking house of delegates voted to undertake an all-out study on smoking to find out exactly which human ailments are "caused or aggravated by smoking" and which part of the cigarette may be responsible. Once before, the AMA attempted to start such a study, but dropped it when the Public Health Service began its review.

The Tobacco Institute in a statement by George V. Allen, its president, said it is sure that scientists will give strong attention to the cancer society's study.

Dr. Clarence Cook Little, scientific director of the Tobacco Industry Research Committee, commented yesterday only on the AMA's action but not on the Hammond report. He said that the AMA study will speed the day when "science will learn the causes of major health problems such as lung cancer and heart disease and what role, if any, smoking may have."

The tobacco industry and others have asserted that the statistical association demonstrated by Dr. Hammond and others between cigarette smoking and health could represent a spurious statistical quirk. They said that men predestined to an early death might also be constitutionally inclined to smoke.

Findings

As Dr. Hammond put it: "It has sometimes been suggested that the association between cigarette smoking and death rates might conceivably result merely from the incidental association between cigarette smoking and some other factor or factors which have a great influence on death rates."

Such things as the consumption of alcohol, exposure to city air pollution, lack of sleep, country of national origin and marital status, to name a few, have been cited as factors that could cause both smoking and early death.

Dr. Hammond then proceeded to demolish these contentions with a multipronged attack, citing statistical, laboratory and human biological evidence:

There is a quantitative relationship between death and exposure to cigarette smoke: the more you smoke, the greater the risk. Thus the statistics indicate a connection between the two.

The risk of ex-smokers diminishes the longer they keep away from smoking. It is as if a toxin were slowly being washed from their bodies.

Extracts of cigarette tars and smoke produce known biological effects on men and animals. Tars produce cancer in mice; the nicotine changes the circulation of the blood, and recent research on behalf of a cigarette company shows that the fine fibers of the throat—the cilia—stop moving when bathed in smoke.

Factors

Microscopic studies of the lungs of smokers and nonsmokers reveal changes in the blood vessels and air sacs that could produce breathing difficulties and have been interpreted by some as precancerous.

Despite these powerful arguments, Dr. Hammond decided to attack the problem of other factors directly, using his huge sample of 442,000 men and the fantastic data-handling capacity of a modern computer.

First, he made a list of all the factors considered to be associated with a high risk of death: race, height, foreign or native birth, residence in city or country (air pollution), occupational exposure to noxious substances, religion, education, marital status, alcohol consumption, sleep, use of tranquilizers as an indicator of tension, present state of health, history of cancer, heart disease, stroke or high blood pressure.

From the 442,000 men, he found 37,000 pairs of men who were alike in each of these factors except that one of each pair smoked 20 or more cigarettes a day and the other did not smoke regularly.

In other words, if there was a man 70 inches tall, born in the United States, Negro, a nondrinker, who slept 6 hours a night, etc., the computer dug into the histories of the 442,000 and found another man with the same characteristics. The only difference: one smoked and one didn't.

Such a hunting procedure would have been nearly impossible a decade ago, since the amount of information to be sorted and handled reached beyond human comprehension.

Next, Dr. Hammond and his colleagues in the American Cancer Society followed up on these 37,000 pairs, and found that in 2 years 1,385 of the smokers had died and only 662 of the nonsmokers: a death rate of 2 to 1.

Dr. Hammond, the statistician, said such a result could occur by chance only one time in a million.

Mortality

What did they die of? Of the cigarette smokers, 110 succumbed to lung cancer, while only 12 of the nonsmokers did. Coronary artery disease—heart attack—killed 654 of the cigarette smokers, 304 of the nonsmokers. Fifteen smokers died of emphysema; only one nonsmoker did. More cigarette smokers than nonsmokers died of cancers of the mouth, throat, pancreas and liver.

Of the new findings, the relationship of hospitalization to smoking reveals that cigarettes may cause a great deal of nonlethal illness. For example in the age group 40 to 69, only 14 percent of the nonsmokers saw the inside of a hospital, while 22 percent of the two-pack-a-day men were hospitalized in the 2-year period. Between these extremes, the more a man smoked, the more likely he was to end up in a hospital.

In addition to the facts about smoking, Dr. Hammond and his associates uncovered some other conditions of living that may affect your longevity. For example, men who didn't exercise at all had a much higher death rate than those who exercised heavily. In general, the taller a man was, the lower his death risk. Baldness did not affect the death rates one way or the other.

Massive study

All these data came out of the cancer society's massive study of 1,070,474 persons in 1,121 counties in the United States. Each of them, visited by a cancer society volunteer, filled out a questionnaire on health, habits and habitat. Dr. Hammond and his colleagues then tabulated all the data by computer.

Two years later, the volunteers went out to find the original men and women. If they were dead, the society got the death certificate. If cancer was mentioned, the society wrote to the doctor and got more details.

In this gold mine of information, Dr. Hammond also hopes to find the answers to many questions including: Does cigarette smoking affect the health of women, too?

APRIL 10, 1962.

Dr. LEONARD W. LARSON, M.D.,
President,
American Medical Association,
Bismarck, N. Dak.

DEAR DR. LARSON: The Royal College of Physicians, the British Ministry of Health, the British Medical Research Council, the National Cancer Institute of Canada, the International Union Against Cancer, the World Health Organization, the Netherlands Ministry of Social Affairs and Public Health, the U.S. Public Health Service, the American Public Health Association, the Public Health Cancer Association, the American Heart Association, and the National Tuberculosis Association have all concluded that cigarette smoking is injurious to health.

Has the American Medical Association taken an official position on the relationship between cigarette smoking and health or does the association plan to adopt such a position within the foreseeable future?

Sincerely,

MAURINE E. NEUBERGER,
U.S. Senator.

AMERICAN MEDICAL ASSOCIATION,
Chicago, Ill., April 20, 1962.

Hon. MAURINE B. NEUBERGER,
U.S. Senator,
Senate Office Building, Washington, D.C.

DEAR SENATOR NEUBERGER: Dr. Larson has referred your letter of April 10, concerning the official position of the American Medical Association on the relationship between cigarette smoking and health, to this office for reply.

We have made available through our official publications and scientific meetings an opportunity for full expression of the point of view of the Public Health Service and other Government agencies, the American Cancer Society, and others. AMA as an organization, however, has not taken a formal stand on the relationship between smoking and health.

As a general rule, AMA has not expressed "official" opinions on scientific questions. There have been notable exceptions to this rule: Krebiozen and cancer, artificial fluoridation of public water supplies for the prevention of dental caries, poliomyelitis vaccines, and other scientific questions that have aroused considerable public debate. Exceptions are greater than rule. Approximately 3 years ago the council on drugs of AMA, a group of distinguished pharmacologists and therapeutists, was asked to consider the development of a project to review the available data concerning the relationship between smoking and cancer. The council then, and again a few months ago, recommended that AMA not undertake such a study.

The board of trustees of the association will meet in May; and I am, therefore, holding your letter for more definitive consideration by the trustees. The question you raise is a profoundly important one. I assure you that the association will give it the careful consideration that it deserves.

I shall keep you informed of whatever action is taken by the board of trustees next month.

Sincerely,

ERNEST B. HOWARD, M.D.

AMERICAN MEDICAL ASSOCIATION,
Chicago, Ill., June 9, 1962.

Hon. MAURINE B. NEUBERGER,
U.S. Senate, Special Committee on Aging,
Washington, D.C.

DEAR SENATOR NEUBERGER: The Board of Trustees of the American Medical Association considered your inquiry regarding the official position of the American Medical Association on the subject of smoking and health. I am happy to report to you that the board instructed the Council on Drugs of the AMA to study and report on the relationship of tobacco and disease. I shall keep you apprised of the progress of the council in its study of this important subject.

May I take this opportunity to congratulate you on the impetus you have given, both to the American Medical Association and the Public Health Service, on this important matter.

Sincerely,

ERNEST B. HOWARD, M.D.

STATEMENT BY F. J. L. BLASINGAME, M.D., EXECUTIVE VICE PRESIDENT, AMERICAN MEDICAL ASSOCIATION, MARCH 12, 1963

The AMA Council on Drugs has recommended to the AMA's board of trustees that a projected study by the AMA of the relationships of tobacco and health not be undertaken.

This recommendation should not be interpreted as any lack of interest in this important subject.

Since Surg. Gen. Luther Terry has appointed a committee of outstanding scientists to conduct such a study, the AMA's Council felt that there should not be a duplication of effort.

The AMA has been assured early access to the report of the Surgeon General's Advisory Committee. After a study of the report, the AMA will make a statement, based on a critical evaluation of the data.

[News release from the American Medical Association]

DECEMBER 3, 1963.

PORTLAND, OREG.—The American Medical Association's board of tustees today proposed "a comprehensive program of research on tobacco and health" to discover which human ailments may be caused or aggravated by smoking, how they may be caused, and what properties of smoke may be the guilty agent.

The board's proposal is subject to approval by the AMA's policymaking house of delegates which convened in Portland today for its annual fall meeting.

The board's statement to the house said that "so many gaps exist in knowledge about the relationship of smoking to health it is the belief of the board that an intensive long-range research program such as is proposed is imperative."

If authorized by the house, the project would be initiated by the AMA's education and research foundation, a separate corporate entity from the AMA itself.

The board recommended that the long-range program be financed by a substantial contribution from the AMA with contributions solicited from other sources—industry, foundations, voluntary health agencies, and physicians.

The board emphasized that, if the program is authorized, contributions will be received "only if they are given without restrictions."

"A director for this project," the board said, "will be procured whose experience, qualifications, and integrity will assure that such a research project will be conducted effectively, exhaustively and with complete objectivity."

The board said that "a mass of statistical information has been developed indicating certain relationships between smoking and disease which cannot be ignored, even though the significance of them in terms of cause and effect is still being debated."

"The proposed research projects," the the board said, "would be designed to probe beyond statistical evidence, to search for answers not now available to such questions as which diseases in man may be caused or induced by the use of tobacco. Determination needs to be made whether some element or elements in smoke may be a direct or aggravating cause of cancer and other diseases and to identify these substances chemically. Questions of constitutional or physiologic factors, or psychological dependence, and of habituation require answer. Continuing and further clinical and pathologic studies need to be made along with collection and correlation of statistical data as it is collected to establish that relationships exist between the use of tobacco and disease. Since smoking may produce a tranquilizing effect as well as other favorable psychic reactions not so well identified, these factors need further study in evaluating the whole matter of the relationship of tobacco and disease. The Board also said that "this complex problem contains extraordinary social, legislative and economic implications."

"For example," the board said, "the habit-forming characteristics of smoking, and the fact that many millions of people indulge in smoking, would appear to make strict legal prohibition unrealistic, even if causal relationships were irrefutably established.

"Because of these social, legislative and economic aspects of the problem and because so many gaps exist in knowledge about the relationship of smoking to health, it is the belief of the Board that an intensive, long-range research program such as is proposed is imperative."

"Since smoking has been declared by some to be a national health problem," the Board said, "it is logical that the American Medical Association, as a national organization with historic concern for all matters affecting public health, should be the organization to sponsor such a research project through the Education and Research Foundation it has established." "In fact," the Board said, "the AMA–ERF is in a unique position in this respect because of the professional stature of the AMA which would insure public confidence in such a tobacco research project, because of its ability to encourage the talented research personnel necessary for an endeavor of this magnitude, because of the AMA's position in contributing and obtaining funds from other groups for these purposes, and because of the ability of the AMA to communicate rapidly and widely information to the profession and the public."

The AMA–ERF, the board said, is in a position to and would conduct such a research project along the lines of (1) a continuing survey of the literature on the subject, (2) initiating reasearch on tobacco and disease, and (3) coordinating research carried out by others. The AMA itself will utilize various avenues in communicating the results of the research studies as they become available.

Mrs. NEUBERGER. In conclusion, Mr. President, let me say that I really believe that this tacit recommendation by doctors—and the AMA must speak for the doctors of this country—for the continuation of smoking is a disservice to the American people.

An eminent British scientist, the president of the Royal College of Physicians, Sir Robert Platt, said the night before last, when speaking in Chicago:

The pleasures of smoking must be weighed against the danger of health.

Mr. President, I should also like to have the American people keep in mind the statement by the man from the Sloan-Kettering Institute:

There is very little lung cancer among nonsmokers.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MCGOVERN in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CREATION OF JOINT COMMITTEE TO STUDY THE ORGANIZATION AND OPERATION OF CONGRESS

The Senate resumed consideration of the motion to proceed to the consideration of concurrent resolution (S. Con. Res. 1) to create a joint committee to study the organization and operation of the Congress and recommend improvements therein.

Mr. CLARK. Mr. President, the pending business is a motion to proceed to the consideration of Senate Concurrent Resolution 1, which was submitted by me and some 30 other Senators on January 14, 1963.

As originally submitted, the concurrent resolution called for the establishment of a Joint Committee on the Organization of Congress, to be composed of seven Senators and seven Members of the House. The concurrent resolution stated that the duty of the committee would be to make a full and complete study of the organization and operation of the Congress of the United States and to recommend improvements with a view toward strengthening the Congress, simplifying and expediting its operations, improving its relationships with other branches of the U.S. Government, and enabling it better to meet its responsibilities under the Constitution.

The committee would be given broad jurisdiction under the concurrent resolution as originally submitted, including authority to recommend improvements in "the rules, parliamentary procedure, practices, and/or precedents of either House, the consideration of any matter on the floor of either House, and the consolidation and reorganization of committees and committee jurisdiction."

The remainder of the concurrent resolution was what is known in legislative parlance as "boilerplate." It dealt with places at which the committee could sit, its power to maintain staff and fix compensation and allowances for expenses, and a requirement that the committee should report from time to time to both Houses.

A hearing was conducted before the Committee on Rules and Administration, to which the concurrent resolution was referred, on June 27 and 28, 1963, the hearing being held before the Subcommittee on Standing Rules of the Senate. That subcommittee consists of the Senator from Arizona [Mr. HAYDEN], who is chairman, the Senator from Kentucky [Mr. COOPER], and the Senator from Nevada [Mr. CANNON].

The subcommittee struck out everything after the resolving clause of the concurrent resolution and substituted a new concurrent resolution which, in addition to changing a number of less important subjects in the original resolution, struck out the authority for the committee to investigate and make recommendations with respect to the "rules, parliamentary procedure, practices, and/or precedents of either House, and the consideration of any matter on the floor of either House."

In its amended form the concurrent resolution was favorably reported to the

Senate by the Committee on Rules and Administration by a vote of 6 to 3. As a part of the committee report, individual views pointing out the desirability of reinstating the original phraseology of the concurrent resolution were filed by my Pennsylvania colleague [Mr. SCOTT] and by me, and supplemental individual views were filed by me.

That report was dated September 19, 1963.

Thereafter the amended concurrent resolution was cleared by the Senate Democratic Policy Committee. Shortly thereafter it appeared on the calendar and was called up by the majority leader today.

In what I believe to be an almost unprecedented action, the senior Senator from Georgia [Mr. RUSSELL] objected to the request of the majority leader for unanimous consent to make Senate Concurrent Resolution 1 the pending business.

So far as I know, although I may be incorrect, the only other times when objection has been lodged to a motion by the majority leader for the Senate to consider some measure approved by a legislative committee and approved by the majority party policy committee has been in connection with efforts to change rule XXII and civil rights legislation. There may have been a few other instances in which this highly unusual procedure has been utilized.

I believe I am fair in saying that the procedure of objecting to the request by the majority leader to consider a measure which has been cleared on the calendar for floor action is for the purpose of delay.

I am confident, from reliable information which has come to me, that the objection to the unanimous-consent request was made for purposes of delay, and is the first move in a filibuster intended to prevent a vote on the merits of the amendments which the Senator from New Jersey [Mr. CASE] and I submitted on October 24.

The purport of the amendments is to restore the right to be given in the original resolution to the committee to investigate "the rules, parliamentary procedure, practices, precedents of each House of Congress, and the consideration of any matter on the floor of each House."

I shall be prepared to make an argument on the merits in support of the amendments if the time ever comes when that is relevant. For the present, I merely point out that the unquestioned leader of the Senate establishment—a man for whom I have the most intense personal respect, admiration, and indeed affection; with whom I have never exchanged a cross word; who has rendered me in my nearly 7 years of service in the Senate courtesy far beyond the normal—as is his right under the present Senate rules, has determined to conduct a filibuster to prevent a vote on the merits of amendments intended to permit a joint committee of the House and Senate to investigate matters which are clearly at the heart of the inability of the Senate and the House to perform their assigned constitutional duties with expedition, efficiency, and dispatch.

I regret greatly that the senior Senator from Georgia has felt impelled to take this position. I do not challenge in any way his right to do so. I merely point out that the fact that he has this right is one reason why the creation of the committee should be expeditiously authorized. It should be organized to begin its arduous task of removing those many obstacles to action when action is required in the national interest which presently obstruct and delay the performance by the Congress of its constitutional duties.

It has been suggested to me that if the Senator from New Jersey and I would drop our amendments, there would be no further objection to approval of the concurrent resolution.

At this time I ask unanimous consent that the name of the Senator from New York [Mr. KEATING] may be added as a cosponsor of the amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Speaking for myself only, I am unwilling to withdraw the amendment. My unwillingness stems from the fact that without the amendment the concurrent resolution, as reported, would remove a significant and important part of the jurisdiction to be given to the committee under the original concurrent resolution.

It is true that without the amendment the committee, if authorized, still could do useful work. It is true also that the original resolution contained the provision, now incorporated in the proposed amendment, to permit the consideration of "the rules, parliamentary procedure, practices, precedents of each House of Congress, and the consideration of any matter on the floor of each House."

This language was not contained in the original LaFollette-Monroney resolution, adopted in 1945, which led to the passage a year later of the Legislative Reorganization Act of 1946. I submit, however, that the failure to incorporate such a provision in the La Follette-Monroney resolution of investigation and inquiry was responsible for the failure of that committee to recommend comprehensive and far-reaching reforms regarding those matters excluded which continue to plague us today to an even greater extent than they did in 1945 in our efforts to update, streamline, and make more effective and efficient the procedures, operations, and organization of both branches of the Congress.

Mr. President, we find ourselves in an odd parliamentary situation, a situation in which, to my mind, there is absolutely no question that in the long run the senior Senator from Georgia, if he is determined to persist in his filibuster, will be able to succeed.

It is now the 5th day of December. The first session of the 88th Congress must of necessity draw to a close before the end of this month. I think 8 of the 12 major appropriation bills, which by law should have been passed no later than July 31 of this year, remain unpassed.

There are two very important education bills which have passed both Houses, one of which is in conference, and in the other case the conference report has been agreed to.

The majority leader informs me that there is other legislation, much of it noncontroversial, some of it controversial, which should be passed before Congress takes what may well be a very brief recess over Christmas.

Therefore, it is clear that the Senator from Georgia can work his will on the Senate.

I have advised the majority leader, after consultation with the Senator from New Jersey [Mr. CASE], that I would have no objection to the concurrent resolution being set aside from time to time temporarily in order that other pressing business which it is the duty of the Senate to enact may be taken up.

It is probably true that under the parliamentary precedents, if the Senate were to adjourn rather than recess, the pending motion would fall of its own weight and would have to be renewed. I cannot control this procedure, particularly under these circumstances. I should like to register, however, in all candor, and in all good humor, my strong and vehement protest against this filibuster action, which I believe to be against the best interests of the Senate, and against the best interests of the people of the United States, and which tends to bring the Senate into disrepute with the public at large, both in the United States and abroad.

I yield the floor.

Mr. CASE. Mr. President, it is always a pleasure to be associated with the Senator from Pennsylvania in any measure. My satisfaction in this case is very great indeed and is increased by the fact that we have the association of our colleague, the junior Senator from New York, both with respect to the measure in chief and also the amendment the Senator from Pennsylvania has been discussing.

It is not my purpose to speak at length. The situation speaks for itself. The need for congressional reform, revision of the rules, the procedures, and the practices, could hardly be more eloquently demonstrated than by the present situation. It is perfectly true that the majority leader is powerless to bring up a matter from the calendar.

After long consideration, the Committee on Rules and Administration has reported favorably a concurrent resolution. As the Senator from Pennsylvania has said, it is far from what we would like. It does not embody provisions in the measure which the Senator from Pennsylvania introduced or the measure which I introduced. It takes pieces of both.

We are happy for what we could get from the committee. Our chief concern is the limitation on the proposed committee to investigate congressional procedures or inquire into the rules or make any recommendations as to them.

The amendment which we are seeking to join to the measure, once it reaches the floor, would eliminate that restriction. Even with such restrictions, a useful pur-

pose could be served by the proposed committee—but not nearly as useful a purpose as if it were unfettered by such restriction.

The existence of the restriction is an illustration of the need for a complete change in the rules and practices.

Who, looking from Mars, or from any other part of the universe, or, indeed, from most parts of this country, would imagine that it is impossible for the Senate of the United States even to consider a matter which has been regularly introduced by a Member of the Senate—by several Members in this case, deliberately considered at proper and ample length by the committee to which it was referred, presided over by one of the most honored, respected, and wise Members of this body, and composed of very fine men, which has been reported favorably to the Senate by that committee, and put on the calendar, with an amendment, which we have already discussed—the Senator from Pennsylvania at some length and I more briefly—but reported favorably with a recommendation that it pass?

The ordinary machinery for bringing the measure from the calendar to the floor was utilized and was operated to bring it to the floor—namely, the majority conference. The majority leader, in sympathy with the proposal, purporting to act in accordance with the instructions of his democratic conference, made a request, which the Senator from Pennsylvania recounted, that it be made the pending business. It was met by objection by the Senator from Georgia. In accordance with instructions, the majority leader moved to make it the pending business, and was met by what we know is a filibuster. As the Senator from Pennsylvania indicated, the majority leader is powerless to do anything about it.

If this is not a shocking indictment of the Senate and its practices, procedures, and rules, and acquiescence in being led by the nose by a small bunch of willful men, I do not know what could be.

I have been surprised that the people of this country have been so acquiescent in the apathy of Congress in the face of great needs. This situation has continued far beyond the point where the Congress can be called a do-nothing Congress, which this Congress has been for the entire year. This is a very serious matter. It would be bad enough if we were merely a do-nothing Congress, but we are a prevent-any-action Congress, which is even more serious.

The appropriation bills which have not reached the Senate have dealt with current and future needs of this country, and the deliberate slowdown by the chairmen of those committees, which has brought us to this criminally bad situation, has prevented schoolchildren in the District of Columbia, for one example, from obtaining adequate instruction for the entire year, because we have not passed the budget for the District of Columbia school year, which started last September. That is merely one illustration of what we are up against.

The same procedure operates against the whole mechanism of the Government of the United States.

We are operating under a continuing resolution, which has been extended again to the end of January. It will not be merely half a year that will have gone by before we have acted; it will be at least seven-twelfths of a year.

Why do we appropriate at all? Why not pass continuing resolutions from now to doomsday, draw our pay, and do nothing? But it is not merely a question of doing nothing; we are responsible for preventing any action.

Congress still has that power—Congress has not; a few individuals have. Perhaps a dozen Members who comprise the chairmen of the committees have that power. Congress has not. The Senate has not. The majority leader and the minority leader and others do not have such power. A few individuals have it. And we sit still and do nothing about it. It is a shocking thing. If this does not awaken the conscience of the country, if it does not awaken the information media of the country to putting some pressure behind the move to change the rules, I shall almost be inclined to despair.

I know this will happen. These attempts in which we have acquiesced year after year after year, to tie our hands and to shackle ourselves and to half strangle Congress, will come to an end. The tighter the opponents attempt to draw the noose around us, the more sure that end will be and the more drastic the reaction to it will be.

I said I would not speak at length on this subject. I am sorry I talked as long as I have. I apologize to my colleagues, because I know they have other matters to attend to.

I should like to reach a vote on this subject, because the basic issue is reaching a vote. It is not a question as to how Senators will vote. I do not believe anyone should tell any Member of Congress—any party leader or President or anyone else—how he should vote. No one should attempt to tell Congress how it should vote on a particular question. We should listen to others with respect for their office and their experience, to the extent that office and experience entitled them to be heard. However, the issue is whether we shall vote, whether we shall be permitted to vote. The time has come when we should put an end to our suffering. We have suffered too long on this matter. It is inconceivable that one man or a dozen men should be permitted to stop us from voting. The time has come for us to vote on the question.

I challenge Senators who are raising this issue now as to why they are afraid to let the Senate vote. If they have the votes against us, let them make a motion to table. That vote can come in less than five minutes. Do they not want people to know that they are opposing this proposal? Are they trying to do this under cover? If so, it is time for the cover to be stripped off. It is time for us to place the responsibility upon a little group of willful men who for their own purposes have far too long emasculated the Senate of the United States.

Mr. MONRONEY. Mr. President, I deeply regret that the efforts to bring about a careful study of the rules and procedures of the Senate will be frustrated by the continued strife over rule XXII of the Senate Rules.

I am not unmindful of the importance that rule XXII, its preservation for one group, its abolishment for another, or its modification for still another, plays in the minds of many Senators in expediting the Senate's business.

However, Mr. President, you and I are practical men. We have been here for a number of years, and we know that if rule XXII is included in any reorganization proposal and opened up for study and recommendation, it will be difficult, if not completely impossible, to establish a joint House and Senate study commission to try to bring about a reformation of many of the rules of the Senate and of the House.

A study, whether it continues for 1 month or 12 months or 36 months, will not add any information to the Senate concerning the meaning of rule XXII. There are basic and clearly defined difficulties which surround its modification or its repeal.

Therefore, I came to the conclusion long ago that if we intend to achieve anything in the immediate future in an age in which things move fast and require the very best machinery for Congress that is possible, it is long past time to appoint a committee of the House and the Senate, equally divided between the two parties, which could conduct hearings and take testimony from people from outside the Congress, and also from our own Members, and to consider the many proposals that have been made, numbering in the hundreds, and to get on with improving as much as we possibly can our obsolete and creaking machinery.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield to the Senator. I compliment him on his continuing interest and his efforts, which exceed those of any other Member of the Senate, to achieve a degree of reorganization of the Senate.

Mr. CLARK. I thank my friend from Oklahoma. The Senator is far too wise an individual to want to throw the baby out with the bath water. I point out that before the subcommittee, before the full committee, and now again on the floor, I offered to exclude rule XXII of the Senate from the jurisdiction of the committee that I ask to have appointed. If my friend from Oklahoma would like to propose that I modify the amendment submitted jointly by the Senator from New Jersey and myself, I am sure that we shall be happy to exclude rule XXII from the jurisdiction of the proposed committee.

However, I again point out that there is a great deal of "baby" left in the amendment which would be thrown out with the bath water if the amendment were defeated.

There are a great many other rules, other than rule XXII, in both Houses.

There are innumerable procedures which have nothing to do with rule XXII. There is an incredible number of practices and precedents in each House which have nothing to do with rule XXII. There are many other matters involving consideration of any number of matters on the floor of each House which have nothing whatever to do with rule XXII.

Therefore, if my friend from Oklahoma, whom I honor and respect as the survivor of the two giants who pressed through the Houses of Congress the Reorganization Act of 1946, will join with me in excluding rule XXII from the amendment, I shall be only too happy to praise him for this action. However, let us not throw the baby out with the bath water.

Mr. MONRONEY. I am unable to discern just where the offense would lie that would frustrate early consideration, in a harmonious and united manner, of an effort to try to move forward with some improvement in the machinery that we now have.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. MONRONEY. This is identically the rule which Senator La Follette—God rest his soul, because he was a great partner and a great man to work with—accepted as a part of the authorizing legislation when the committee was established in 1945.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. CLARK. I point out that in the Senate rule book, which I hold in my hand, there are some 40 standing rules, among which, I am sure my friend will agree, there are many which require careful scrutiny and possible amendment, change, or repeal. I hold in my hand the book on Senate procedure, written by our two Parliamentarians, which contains approximately 650 pages. No doubt many of the procedures listed in it should be scrutinized. I suggest to my friend in all candor that it may well have been that the reason why the Reorganization Act of 1946, of which he was the very distinguished cosponsor, did not remedy many of the deficiencies from which we now suffer is that there were excluded matters which 30 Senators thought important enough to cosponsor in Senate Concurrent Resolution 1. I appeal to my friend to join me in amending our amendment so as to exclude rule XXII, because I do not care a whit about a further investigation of rule XXII. We all know about that. If we do not know now the report of an investigating committee will not tell us how we should act in that regard.

But I say again that I offered, three times, to exclude rule XXII. My offers were rejected.

Mr. MONRONEY. I am sorry I was unable to be present during the earlier period of debate, because I was serving on an appropriations conference committee with the House.

Mr. CLARK. The Senator has not missed much. All he missed was a speech by me.

Mr. MONRONEY. I always find speeches by the distinguished Senator from Pennsylvania and the distinguished Senator from New Jersey instructive and helpful.

For whatever the experience is worth, I should say that the value placed upon the precedents of the House, which occupy perhaps a 10-foot shelf, at least, going far back, carefully recorded, is very high in that body. I would doubt seriously whether the Members of the House would be willing to go into a study of those precedents.

I would hope that in the later discussion, or even now—and I understand the debate will continue tomorrow—the Senator from Pennsylvania, on the basis of all his study—and he has done a great part of it—would give us some examples of some of the precedents that we should study, if an investigation of the machinery of the Senate were to occur.

Mr. CLARK. Mr. President, will the Senator from Oklahoma further yield?

Mr. MONRONEY. I am happy to yield.

Mr. CLARK. I am writing a book which will be published in May of 1964, and will be entitled either "Congress, the Sapless Branch," or "Congress, the Withered Branch." I would not want to detract from the potential sales of that book by revealing its complete contents on the floor of the Senate this evening. However, in view of the Senator's suggestion, I shall be happy at an appropriate time tomorrow to list a few of the many matters which might be considered under the general subject—excluding rule XXII—of the rules, procedures, practices, and floor actions of both Houses.

I should like to pose this question to the Senator from Oklahoma: There may be some merit in his view that the House would revolt against Members of the Senate examining into House practices. I do not know whether that would be true or not. I would welcome having House Members examine into Senate practices. I think we need an outside and objective look at some of the practices that are occurring in the Senate, practices that we are unwilling to subject to the scrutiny of anybody except those of us who live by those rules.

How would the Senator from Oklahoma propose that we in the Senate ever begin to take a look at these problems, which the Committee on Rules and Administration has excluded by striking out the provisions of the original resolution? The Senator knows full well that the standing Subcommittee on Rules consists of three able and extremely busy Senators: our beloved President pro tempore [Mr. HAYDEN], who is chairman of the Committee on Appropriations; the Senator from Nevada [Mr. CANNON], who serves on four major legislative committees and is up for reelection next year; and the Senator from Kentucky [Mr. COOPER], who is one of the senior ranking Republicans on major committees, and is quite busy, too.

It has been most difficult to obtain an adequate hearing on these many complex matters before that small subcommittee. Would the Senator from Oklahoma be willing to join me in proposing a Senate resolution which would create an ad hoc special committee to investigate the subject of rules, procedures, precedents, and floor actions—excluding rule XXII—and to report back to the Senate before the end of 1964?

Mr. MONRONEY. Based on experience, I should say that we would lose half the drive, half the Nation's interest, and probably half the academic participation in reorganization if the investigation were confined to one body only. The previous limitation was not too difficult, in that each House, as the Constitution provides, shall be the sole judge of its own rules.

To secure the passage of the reorganization bill, it had to be restated that it would be passed with the understanding that the Senate rules were applicable solely to the Senate and were concerned only with the Senate, and that the House rules were of concern only to the House.

It is not incumbent upon the Senate to attempt to improve the procedures and perhaps to make more democratic the Committee on Rules of the House of Representatives, a committee which has long been the target of many of those who would seek reform. That was sought to be done earlier, in the discussions preceding the Reorganization Act. Likewise, rule XXII and the filibuster have long been understood.

Embodied in the Senate rules of long standing are many precedents and practices. I have never recognized them as defeating the will of Congress unnecessarily, except in the case of rule XXII, which I must say can defeat the will of the majority. But that is well understood. It takes an even greater number than a mere majority of those who advocate change to close off debate in the Senate, under cloture.

Mr. CLARK. Mr. President, will the Senator from Oklahoma further yield?

Mr. MONRONEY. I yield.

Mr. CLARK. Do I correctly understand that the Senator does not believe that the creation of a special Senate investigating committee would enlist the interest of the country to an extent sufficient to make that a desirable thing to do?

Mr. MONRONEY. I would much prefer—and I believe it would be attainable—to have, again, a joint study made of the two bodies, because Congress in the public mind embodies both the Senate and the House. One of the important things that needs to be studied, and upon which the comment of scholars, political scientists, and others would be useful, is the relationship between the two Houses. I see it deteriorating. I see the need for a revival of the cooperation that for so long held these two great bodies together. I would feel that in a Reorganization Act problems could be studied that would help to bring about a better relationship between the two bodies. Perhaps, for example, we could reach an understanding as to how to mediate a tieup such as occurred in connection with the appropriation bills last year. That happened because there was no formal body that could try to solve such problems.

Mr. CLARK. I agree with everything the Senator has said. If the amendment proposed by the Senator from New

Jersey [Mr. CASE], the Senator from New York [Mr. KEATING], and me should not be adopted, after a fair and full debate and an open vote on the floor, obtained without any filibuster to stop it, I quite agree, as the Senator from New Jersey already has agreed, that there is enough remaining merit in Senate Concurrent Resolution 1 to make it worthwhile debating. Two-thirds of the value of the resolution would be eliminated if the amendment were not adopted; but there would be a remaining one-third as to which it would be most useful to have joint exploration. That one-third has been ably elucidated in the remarks just made by the Senator from Oklahoma.

But let me ask the Senator a question: It occurs to me that he has placed himself in this position. He will, of course, tell me if I am in error. Either he thinks there is no need to investigate the rules, procedures, practices, and floor actions of both Houses—exclusive of rule XXII—or, in the alternative, he despairs of having a body appointed to examine into the situation. Therefore, he is content to live for the rest of his senatorial life under the present obsolete, archaic, quite impractical rules, practices, procedures, and floor actions, other than rule XXII.

Mr. MONRONEY. I am, and always have been, desirous of changing the rules whenever necessary or whenever possible or achievable. It is important to try to act now to achieve that which can be gained. That is why I spoke only 2 days ago in this Chamber to urge the adoption of the Pastore resolution on a rule of germaneness, and why I urged the adoption of the Church resolution which would grant permission for committees to meet while the Senate is in session during the morning hour. These are minor problems.

But reorganization, if it is to be successful, will have to embody some changes, probably numbering 20, 30, or 40. Individually, they may be minute and unimportant to the Senator from Pennsylvania, who seeks bigger game. But if we can begin to improve our machinery, if we can work together to improve our machinery, if in harmony we can ameliorate the divisions that occur on the floor of the Senate, we shall be moving at least into an area of better understanding and more satisfactory performance. Unfamiliar as I am with the goal the Senator seeks in the additional areas he is willing to open up, but which are violently objected to by the senior Senator from Georgia [Mr. RUSSELL], I am not prepared tonight to comment on that matter. But I am persuaded—as I was at the time when the great Senator La Follette, an outstanding leader, persuaded the committee in 1945 to accept this amendment, and it was accepted as a part of the Reorganization Act, on which we worked for a full year—that the Legislative Reorganization Act was full of many deficiencies. I was unsuccessful in having many of my brain children included; many of them were never adopted in the course of the passage of that Reorganization Act, even though today they stand in the Senate rules.

However, I believe we should do now what we can and should leave to another day what we cannot achieve at the present time.

Mr. CLARK. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. CLARK. I quite agree that Senator La Follette and the Senator from Oklahoma, then a Member of the House, had to agree to such amendments to the original scope of the 1945–46 reorganization to which the Senator from Oklahoma has referred. In my opinion the reason why they had to accept them—although I was not a Member of the Congress at that time, and my opinion may not be correct—was that the same establishment which today is filibustering against the present attempt to change the rule, advised them that it would filibuster at that time if a broader attempt were made to change the existing rules, practices, and procedures of the two Houses. Therefore, perhaps in their wisdom, Senator La Follette and the Senator from Oklahoma, then a Member of the House, yielded to that heavy pressure, and so restricted the resolution under which they operated that they did not make many changes in the rules, although I realize that they recommended that a number of changes be made in the rules of both bodies, and many of those recommended changes were made.

Let me say that instead of 40 or 50 proposed changes being actually recommended, as the Senator from Oklahoma has recommended, there would be 140 or 160, in my opinion, if the Senate—acting alone, if you will, and excluding rule XXII, if you will—were, either jointly with the House or acting on its own, to make the comprehensive and careful investigation of its rules, practices, procedures, and floor action which the Senator from New Jersey contemplated in connection with his resolution, which called for the appointment of a commission, including outside experts, to look into these matters.

Again I say to the Senator from Oklahoma that unless we can include in the joint resolution authority to look into those matters—excluding rule XXII and, if the Senator from Oklahoma desires it, we can restrict the Senate Members to the extent of directing them not to look into the House practices and procedures, and we can restrict the House Members to the extent of directing them not to look into the Senate practices and procedures, and in that way an objection based upon having the Members of one body study the rules of the other body can be avoided—we will never make that study, and certainly it will never be made if it is to be made only by the three busy members of the committee, for we cannot expect them to devote to the study all the time that it will require.

Mr. MONRONEY. Certainly I have endorsed the Senator's proposal for a study of such matters by a bipartisan group. In the previous action, we studied some of them for a year. We heard from the leaders in Government and others and we tried to reach a consensus. The present resolution, however, prohibits an investigation of the Senate's rules, procedures, precedents, and practices. When all is said and done, the important thing is to achieve something. On the other hand, if all that was first proposed were to be included, no such reform would be achieved. Certainly it is not easy to have such a measure passed. These practices have rather deep roots, and it is difficult to change them. Similarly, it was difficult to abolish half of the existing committees of both Houses, inasmuch as many Senators and many Members of the House of Representatives had been in the custom of informing their constituents that membership on the Committee on the Disposition of Useless Papers was most important, or that membership on the Committee on Post Roads was most important, or that membership on one of the three Veterans Committees which then existed in the House of Representatives was most important. So it was most difficult to eliminate any of the committees.

However, it is clear that today we need to limit the number of major committees on which a Member may serve. It is necessary that there be such a limitation, in order that the Members may make proper use of their available time.

Mr. CLARK. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. CLARK. Would not that be an action changing the Senate rules? Why should we let the House look into that matter, if the Senator's argument is a correct one—although he knows that I differ with him as to that.

Mr. MONRONEY. Of course the Senator knows that the Senate will not permit the House to dictate the Senate rules, any more than the House would permit the Senate to dictate the House rules. But it is worthwhile for each group to participate in the study.

Mr. CLARK. Then why not exclude the Case-Clark amendment as to rule XXII?

Mr. CASE. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. I yield.

Mr. CASE. I do not exclude consideration of the idea that we might amend the amendment, but I think we should not consider amendments of any sort at this time, when only two or three Members of the Senate are on the floor. Instead, we should wait until there is a full attendance of Senators on the floor. All the Senators who now are on the floor are interested in making progress in what we regard as the right direction; but at this time we should not consider ourselves a little group trying to bargain with the other side.

The question now is whether the Senate will take up the resolution which would authorize a study of the procedures, practices, and so forth, of the two Houses of Congress. I think the time to consider any amendment or limitation on this is not now, but when there is debate on the floor of the Senate with a rather large attendance of Senators. The right to vote is what is of concern.

Mr. CLARK. Mr. President, the Senator from New Jersey is entirely correct, and I support everything he has said.

Mr. CASE. I appreciate that very much, and I also appreciate very much the help we have received and the help we will receive from the Senator from Oklahoma, who has been a leader in connection with this matter.

But I think all of us must recognize that various parts of the country face various problems, and we must not proceed on the basis of bargaining ahead of time in connection with amendments, thus limiting what the Senate might do when the proposed legislation is considered by the Senate as a whole.

Mr. MONRONEY. Certainly the final proof of the pudding is in the eating; and the final question in regard to such a study is what it will achieve in terms of legislation enacted. For 50 years before the enactment of the 1947 act there had been practically no reorganization or consolidation of congressional committees. Many changes or reforms were clearly needed. To try to proceed as a united body, in the House, and to try to have the Senate proceed, in turn, as a united body, and to try to bring the two bodies to concur and to reach a consensus will represent progress to a considerable degree. Of course, we will not attain all we want, because it is impossible to get human beings to agree at any one time on so large a number of proposed changes. It will be difficult; but certainly we can move ahead to some extent both this year and next year.

I ask Senators to believe me when I say, judging from experience, that it will require a strong consensus to achieve any worthwhile changes at all. If we do not proceed on that basis in these public forums, we might as well not engage in the study.

I wish to see afforded to whatever committee undertakes the study an opportunity, a climate, and a list of goals that could be reached, as Senator La Follette achieved in 1947 in the Senate, and which was achieved to a degree in the House. Those recommendations led to a unanimity of opinion that they were important enough to be enacted into the structure of the House and the Senate.

We know that all people will not agree on the recommendations of any committee, regardless of its composition—whether the committee be composed of Senators and Representatives or experts and executives as well as Senators and Representatives, as proposed by the Case measure—because anything dealing with human beings often involves a wide difference of opinion.

I personally prefer the plan under which congressional Members would hear the testimony of expert witnesses rather than the proposal that Senators and Representatives should be a part of a commission to advise on how our affairs should be conducted.

Mr. CLARK. Mr. President, will the Senator yield once more? I promise that it will be the last time I shall ask him to yield.

Mr. MONRONEY. I am delighted to yield.

Mr. CLARK. Why does the Senator object to voting on the question of taking up Senate Concurrent Resolution 1?

Mr. MONRONEY. I did not object to voting on that question. I shall probably vote to consider Senate Concurrence Resolution 1. I have applauded the Senator from Pennsylvania. I appeared before the committee to testify in behalf of the proposed concurrent resolution. But, as a practical person, I urge and suggest that the amendment that was accepted by Senator La Follette be added so that we could all go into the study united, and, by doing so, achieve the possible.

I have always felt that to fail to proceed in that manner would start us off without the hope of success to which such a study should be entitled to look forward to after the committee performs its long, hard chores, listening to hundreds of witnesses and then trying to distill out of the volumes of testimony a program that experienced and understanding men in both bodies could accept as being a somewhat better blueprint than the jerry-built system that we now have or that we have had in the past.

So the question is one of practicality. If we wish to start with a spirit of reform that will carry forward the sentiment in this body and, I hope, in the House, we should move onward without dispute at this time. But if we wish to fight every inch of the way in this body, we might well be divided; and then the hope of reform that we might have as we start will be lost in the long pull.

I wished to interject my feelings in the debate because I have never seen a time when improvement in our machinery has been more sorely needed to enable us to keep up with the extra tasks that are upon us. We have seen a demonstration of breakdown and failure. It has been more glaring than we have had previously in many respects. I believe that it is time to go on with the job; and that in trying to get on with the job we should have some opportunity, as a result of our planning and attitudes, to bring about perhaps not the complete job of renovation and reconstruction, but at least a job of which we will be proud, for we will know that we shall be a few steps better off than we were when we started.

I thank my distinguished friend the Senator from Pennsylvania for his great contribution on this whole problem and for the illuminating questions which he has asked. I am sorry that we differ on the method of approach. I wish to see something done. I have been down this lonely path before. I hope that the next time we shall have the support of a sufficient number of Senators to bring about approval of the action of the special committee in respect to the reforms that will have been testified to, considered, and recommended by such a committee such as the one which the Senator has proposed. It would not have the full range that the Senator seeks, but enough range to do the considerable job that is long past due.

Mr. TALMADGE. Mr. President, the hour is growing late, and I shall not detain the Senate for any length of time.

First, I wish to say that the distinguished Senator from Pennsylvania [Mr. CLARK] has made remarks indicating that my colleague, the senior Senator from Georgia [Mr. RUSSELL] was doing something out of the ordinary when he objected to a unanimous-consent request.

It is entirely in order for any Senator, at any time, to object to any unanimous-consent request. I have heard the Senator from Pennsylvania object many times. The purpose of Senate procedure is to give every Senator the authority, power, dignity, and ability to represent his State and his constituents.

Any time a Senator believes a unanimous-consent request does not have merit, he is derelict in the performance of his duty if he does not object. I assume that every Senator has, on occasion, made objection to a unanimous-consent request.

It has been intimated that my colleague, the senior Senator from Georgia [Mr. RUSSELL], has launched a filibuster. If so, it is probably the shortest filibuster in the history of the Republic, because all the senior Senator from Georgia said about the measure was two words: "I object."

We frequently hear discussion about southern Senators launching a filibuster, but this is the first time in slightly less than the 7 years that I have been a Member of the Senate that the senior Senator from Georgia has been accused of conducting a filibuster with merely two words.

Mr. President, I have no objection to consideration of Senate Concurrent Resolution 1, which the majority leader has requested unanimous consent to make the pending business of the Senate; but I do seriously object to the amendment that has been proposed by the senior Senator from Pennsylvania [Mr. CLARK], the senior Senator from New Jersey [Mr. CASE], and the junior Senator from New York [Mr. KEATING].

The objectionable part of the amendment that they propose to offer is "the rules, parliamentary procedure, practices, or precedents of either House of the Congress, or the consideration of any matter on the floor of either House."

Be it remembered that Senate Concurrent Resolution 1, as reported by the Committee on Rules and Administration would establish "a joint committee on the organization of Congress (hereinafter referred to as the Committee) to be composed of six Members of the Senate (not more than three of whom shall be members of the majority party) and be appointed by the President of the Senate, and six Members of the House of Representatives."

Mr. President, I have no objection whatever to the constitution of the committee proposed in Senate Concurrent Resolution 1 to make the study that the Committee on Rules and Administration requested and authorized the committee to make.

However, I do vigorously object to Members of the House of Representatives making recommendations and studying "the rules, parliamentary procedure, practices, or precedents of either House of the Congress, or the consideration of any matter on the floor of either House."

My objection is based on the Constitution of the United States of America. I read:

Article I, section 5, paragraph 2: Each House may determine the Rules of its Proceedings, punish its Members for disorderly Behavior, and, with the Concurrence of two-thirds, expel a Member.

Mr. President, that language is written in plain English. It does not require much education to understand that provision of the Constitution of the United States. It merely states that each House may determine the rules of its proceedings. That means that the Senate may determine its rules and the House of Representatives may determine its rules.

The Constitution does not authorize the House of Representatives to study and determine the rules of the Senate. It does not authorize the Senate to study and determine the rules of the House. The rules of the two bodies are different—and rightly so.

The Senate is a forum of States, composed of two Senators from each of the 50 sovereign States, who are sent to Washington to consider matters for the welfare of our country.

Every State has two Senators, regardless of geographical size and regardless of population.

In the House of Representatives, representation is based on population, and Representatives do not represent the sovereignty of entire States.

The rules of the two bodies are vastly different, and properly so. The precedents of the two bodies are vastly different, and properly so.

What Member of the House of Representatives would be familiar with the precedents of the Senate? I have been a Member of this body for 7 years, and it is still necessary that I confer with the Parliamentarian almost daily to determine what are the precedents of the Senate. Certainly a Member of the House of Representatives could shed no light on our precedents. Certainly Members of the Senate could shed no light on the precedents of the House.

The senior Senator from Oklahoma stated a moment ago that the precedents of the House of Representatives occupy 10 feet of shelf space. Who in the Senate knows what are those precedents?

The Constitution says we have no right to determine those precedents. I share that view.

I am willing to permit the House to have its precedents and its rules of procedure. I insist that the Senate, acting in accordance with constitutional authority, have the same right.

If the rules of the Senate need to be changed, the senior Senator from Pennsylvania is a member of the Committee on Rules and Administration. That committee has original jurisdiction. The Senator can submit resolutions to change the rules of the Senate. He should not come to the Senate to claim that we are so derelict and bereft of reason and unable to handle our own business that we ought to create a joint commission, with Members of the House of Representatives involved, to tell us what to do.

The Senate is not yet ready for the appointment of a guardian, either outside the Senate or from Members of the House of Representatives.

Mr. CASE. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield to the Senator from New Jersey.

Mr. CASE. I thank the Senator from Georgia. Of course, I do not have to state that, although I greatly respect the Senator's views and his right to express them, I disagree with them.

That is not my point in rising. My point in rising is to say that, granted there may be faults in the resolution, and there may be objections to an amendment to it to be proposed, we cannot offer such an amendment until there is some resolution before the Senate to which to offer the amendment.

Why would that not be the proper time to make an objection, rather than now, before the resolution is before the Senate? Why do Senators fight against bringing a resolution before the Senate, where it can be dealt with properly, where amendments can be offered and printed, so that Senators may discuss the subject? Why should Senators prevent the measure from coming before the Senate for consideration?

Mr. TALMADGE. Because I am opposed to the Senate abdicating its constitutional responsibility to make its own rules. That is why.

Mr. CASE. I understand the Senator's position. The Senator has made it very clear and stated it with eloquence and force. I disagree with it completely, but nevertheless the Senator has stated it well.

Still, why should that not be done before the Senate as a whole, rather than on the question of bringing up a measure for consideration?

Mr. TALMADGE. I have answered the Senator's question. I have pointed out the constitutional requirement that the Senate make its own rules.

I am opposed to the Senator's amendment, which would provide for appointing Members outside the Senate to make recommendations to change our rules. I am equally opposed to the House of Representatives being brought into the picture, to try to determine our rules.

Mr. CASE. I do not believe the constitutional argument in any way applies, and therefore I do not believe that the argument is any good at this point, however good it may be later. I would disagree at any point with it.

We are not seeking to give anybody else power to make our rules. We are only asking for a body, to consist half of Members of the Senate and half of Members of the House, to study the subject, to comment upon the existing situation, and to recommend changes. Certainly there is nothing unconstitutional in asking for a select group to do that task.

Mr. TALMADGE. The Senator formerly sat as a member of the Committee on Rules and Administration. The Senator had the power at that time to make recommendations.

The cosponsor of the amendment, the Senator from Pennsylvania [Mr. CLARK], is now a member of the Committee on Rules and Administration. That is the appropriate body in which to originate such recommendations.

This particular amendment was offered in the Committee on Rules and Administration and was rejected in the committee. Now the Senator seeks to bring it before the Senate.

Mr. CASE. What is to be brought before the Senate is not the Clark-Case-Keating amendment, though that may be offered later. We intend to offer it. What is to be brought before the Senate is the concurrent resolution recommended unanimously, with one exception, by the Committee on Rules and Administration.

Mr. TALMADGE. I have no objection to what the Committee on Rules and Administration is recommending. What I am opposed to is what the Committee on Rules and Administration rejected.

Mr. CASE. I suggest, respectfully, that what the Senator and the little group who join him seek to do is to shackle the Senate from even considering the matter, before it is brought before the Senate.

Mr. TALMADGE. The amendment was considered in the Committee on Rules and Administration, and rejected. I believe it would be rejected by the Senate.

That is all the Senator from Georgia objects to.

Mr. CASE. Nobody would object to that. Let us have the concurrent resolution brought before the Senate so that the amendment can be voted up or down. It can be done that way in 5 minutes or less, on a motion to table, if that is the desire of the leadership.

Mr. CLARK. Mr. President, will the Senator from Georgia yield?

Mr. TALMADGE. I am delighted to yield.

Mr. CLARK. I suggest to my good friend that he is objecting now not to the Clark-Case-Keating amendment, but to a motion to consider a concurrent resolution.

Mr. TALMADGE. I am speaking only because the Senator has signified his intention to offer the amendment. I am opposed to it. The Committee on Rules and Administration is also opposed to it. I hope the Senate will be opposed to it.

I have no objection whatever to the Senate's passing Senate Concurrent Resolution 1, but I am opposed to the Senator's amendment, which was rejected by the Committee on Rules and Administration.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. TALMADGE. Certainly.

Mr. CLARK. The Senator is also opposed, I believe he will have to admit, to permitting the Senate to vote on the merits of my amendment, because he is presently filibustering against a motion to consider Senate Concurrent Resolution 1.

Mr. TALMADGE. The Senator has spoken at much greater length tonight than has the junior Senator from Georgia.

The Senator from Pennsylvania has accused my colleague of filibustering because he uttered two words. The Senator from Pennsylvania has accused the the junior Senator from Georgia of filibustering because he has spoken for 5 minutes.

I listened to the Senator from Pennsylvania speak for an hour, and I did not accuse him of filibustering.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. TALMADGE. Certainly.

Mr. CLARK. I shall be happy to tell the Senator off the floor—and, if he presses me, on the floor—the basis for my comment that the Senator and his colleague from Georgia were engaged in a filibuster.

Mr. TALMADGE. I have no objection to listening to the Senator. I merely state the facts. The Senator from Pennsylvania stated that my colleague was filibustering. I was in the Chamber. I heard the senior Senator from Georgia. He uttered two words.

Mr. President, I yield the floor.

Mr. CLARK. Mr. President——

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. CLARK. I ask that the question be put.

RECESS

Mr. MANSFIELD. Mr. President, I move, in accordance with the order previously entered, that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 28 minutes p.m.) the Senate took a recess, under the previous order, until tomorrow, Friday, December 6, 1963, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 5, 1963:

DEPARTMENT OF JUSTICE

Charles H. Tenney, of New York, to be U.S. district judge for the southern district of New York.

George I. Cline, of Kentucky, to be U.S. attorney for the eastern district of Kentucky for the term of 4 years.

EXTENSIONS OF REMARKS

Thanks to the Television and Radio Industry

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Thursday, December 5, 1963

Mr. BOGGS. Mr. Speaker, I know that many of our Members have already expressed their gratitude and thanks for the great sacrifices made by the employees of the television and radio industry through almost 4 days following the assassination of President John Fitzgerald Kennedy. I, too, would like to express my appreciation to the television and radio industry for their splendid achievements in presenting to the American people and people around the world, the saga of all the events following this great international tragedy.

The industry and its employees spared nothing in time, effort, money, and imagination to present these historic events to millions of people; every ounce of energy, every available personality and employee, every known engineering device, every piece of available equipment, was utilized to bring to a saddened world the picture and word story of the calamity of the assassination of the President of the United States.

As my colleagues know, following the slaying of President Kennedy, the leaders of all the networks and major television and radio stations in our country decreed that all commercials and regular programs would be canceled until after the solemn ceremonies were completed a week ago Monday. As a result of this unparalleled and unprecedented coverage of the death of our late President, the industry lost in revenues an estimated total of $28,700,000. This is a tremendous sum of money, and represents a splendid example of patriotism and unselfish devotion to the people of our country and to our departed leader.

I know that I speak for all of my colleagues, Mr. Speaker, when I say that the gratitude of the Congress is sincerely given to the television and radio industry, to all of its reporters and writers, to its engineers and cameramen, to its producers and couriers, and to its officials, for a job well done—done truly in the American way and in the American spirit.

In Memoriam—John Fitzgerald Kennedy

EXTENSION OF REMARKS
OF
HON. LEONARD FARBSTEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, December 5, 1963

Mr. FARBSTEIN. Mr. Speaker, joining in tribute with thousands of other houses of worship throughout our Nation to pay honor to the memory of our late beloved President, the Bialyskoter Synagogue in New York City's lower East Side, held a memorial meeting on Sunday, December 1, 1963. The meeting was attended by an overflow crowd, not alone of the Jewish faith, for the Bialystoker Synagogue is one of the oldest orthodox Jewish synagogues in New York City whose services are performed by the truly orthodox patriarchs of the Hebrew religion, but by other residents of the area representing all races and religions. Within these hallowed halls there was but one desire—to pay homage to a man beloved by all and to offer prayers for his soul.

It was my privilege to be one of the speakers at this meeting, not only as a Representative to the Congress for the area, but as a resident of the area and a member of the congregation of the Bialystoker Synagogue.

At the request of the membership, I am taking the liberty of including in the CONGRESSIONAL RECORD my statement which was greeted with favor by those assembled:

The bells have tolled in the canyons of Wall Street; over the factories in Detroit; schools and universities across the land and on our ships at sea or wherever news could travel; across Washington's broad avenues; and in thousands of towns and villages throughout the United States—the bells have tolled a great President has died.

At the American Embassy in Bogotá, Colombia, a lone marine walks across the lawn, salutes the flag and lowers it to half mast. Wherever the American flag flies throughout the world, whether under the searing sun or a soft and gentle rain, the flag flies at half mast. A great American President has died.

At U.S. bases throughout the world, from Saigon, South Korea to London, England, cannons boom out every half hour, from dawn to dusk, in a tattoo of grief. A great President has died.

It was the kind of a feeling one can hardly describe—people gathered in knots on street corners, an air of disbelief in their faces, their heads shaking, muttering to themselves, "It's not possible."

People who seldom enter the church or synagogue are suddenly drawn into their holy walls: some pray, some cry, some merely sit or kneel in silence. A great President has died.

On a street corner, a blind Negro woman plucks at her guitar, half singing, half weeping a funeral dirge—"He promised never to leave me" she sang. An Italian barber on the lower East Side said what was in his mind in two words, "I cry." A woman on Times Square said them in another way, "My God!" Jacqueline Kennedy said them as her husband fell forward, dying, "Oh, no!" A Roman Catholic priest said them after administering the last rites to John Fitzgerald Kennedy, "He is dead." A great President has died.

In the U.S. Senate, the chaplain says, "We gaze at a vacant place in the sky, as our President falls like a giant cedar."

On the morning that Lincoln died, James A. Garfield then a Representative in Congress who was to die by assassination himself 16 years later, said, "God reigns and the Government in Washington still lives." Mortal man goes on to his reward, but our institutions remain. A great President has died.

John Fitzgerald Kennedy, the 35th President of the United States, has walked through the valley of the shadow of death yet our Government continues—though a great President has died.

No one believed that it really happened, but it did. A young, vigorous, aggressive, scholarly President had been assassinated. The bullet that struck down John Fitzgerald